



14421 County Rd. 10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

May 26, 2006

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801
Attn: Minerals

Re: Gasco Production Company
Uteland Federal #14-12-10-18
413' FSL and 657' FWL
SW SW Section 12, T10S - R18E
Uintah County, Utah

Gentlemen:

Enclosed please find two copies of the Application for Permit to Drill, along with one copy of the Onshore Order No. 1 which was filed with the BLM in Vernal, Utah.

If you should need additional information, please don't hesitate to contact me. Approved copies of the A.P.D. should be sent to Permitco Inc. at the address shown above.

Sincerely,

PERMITCO INC.

Venessa Langmacher
Consultant for
Gasco Production Company

Enc.

cc: Gasco Production Company - Englewood, CO
Shawn Elworthy - Roosevelt, UT

RECEIVED

JUN 01 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO.: UTU-013821	6. SURFACE: BLM
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: Gasco Production Company		9. WELL NAME and NUMBER: Uteland Federal #14-12-10-18	
3. ADDRESS OF OPERATOR: 8 Inverness Drive East, Suite 100, Englewood, CO 80112		10. FIELD AND POOL, OR WILDCAT: Uteland Butte	
PHONE NUMBER: 303-483-0044		11. QTR/QTR, SECTION, TOWNSHIP, RANGE MERIDIAN: Sec. 12, T10S-R18E	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 598383 X 4422882 Y 39.95224p 413' FSL and 657' FWL AT PROPOSED PRODUCING ZONE: SW SW 109.748280			
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 28.9 miles south of Myton, UT		12. COUNTY: Uintah	13. STATE: Utah
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 413'	16. NUMBER OF ACRES IN LEASE: 2214	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 Acres; SW SW	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): Approx. 1700'	19. PROPOSED DEPTH: 12,100'	20. BOND DESCRIPTION: Bond #UT-1233	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4980' GL	22. APPROXIMATE DATE WORK WILL START: ASAP	23. ESTIMATED DURATION: 35 Days	

24. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2"	13-3/8", H40, 48#	200'	200 sx Premium Type 5, 15.6 ppg, 1.18 yield
12-1/4"	8-5/8", J-55, 32#	3,183'	518 sx Hi-Lift, 11 ppg, 3.91 yield & 185 sx 10-2 RFC, 14.2 ppg, 1.63 yield
7-7/8"	4-1/2", P110, 13.5#	12,100'	523 sx Hi-Lift, 11.5 ppg, 3.05 yield & 1114 sx 50-50 Poz, 14.1 ppg, 1.28 yield

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PROGRAM
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

AGENT: **PermitCo Inc.** AGENT'S PHONE NO.: **303-857-9999**

NAME (PLEASE PRINT) **Venessa Langmacher** TITLE **Agent for Gasco Production Company**

SIGNATURE *Venessa Langmacher* DATE **May 26, 2006**

(This space for State use only)

API NUMBER ASSIGNED: **43047-38186**

Approved by the
Utah Division of
Oil, Gas and Mining

Date: **06-07-2006**

By: *[Signature]*

RECEIVED

JUN 01 2006

DIV. OF OIL, GAS AND MINING

Federal Approval of this
Action is Necessary

T10S, R18E, S.L.B.&M.

**R
18
E**

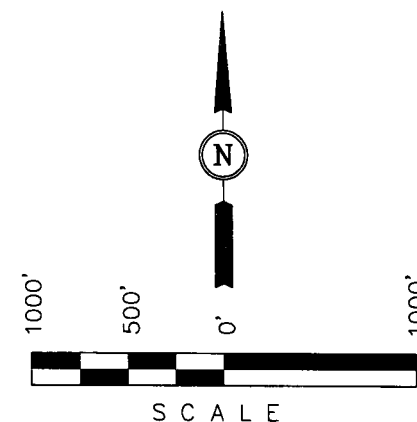
Brass Cap
1.5' High,
Pile of Stones

GASCO PRODUCTION COMPANY

Well location, UTELAND FEDERAL
#14-12-10-18, located as shown in the
SW 1/4 SW 1/4 of Section 12, T10S,
R18E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF
SECTION 6, T10S, R19E, S.L.B.&M. TAKEN FROM THE
MOON BOTTOM QUADRANGLE, UTAH, 7.5 MINUTE QUAD.
(TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES
DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY.
SAID ELEVATION IS MARKED AS BEING 5011 FEET.



CERTIFICATE

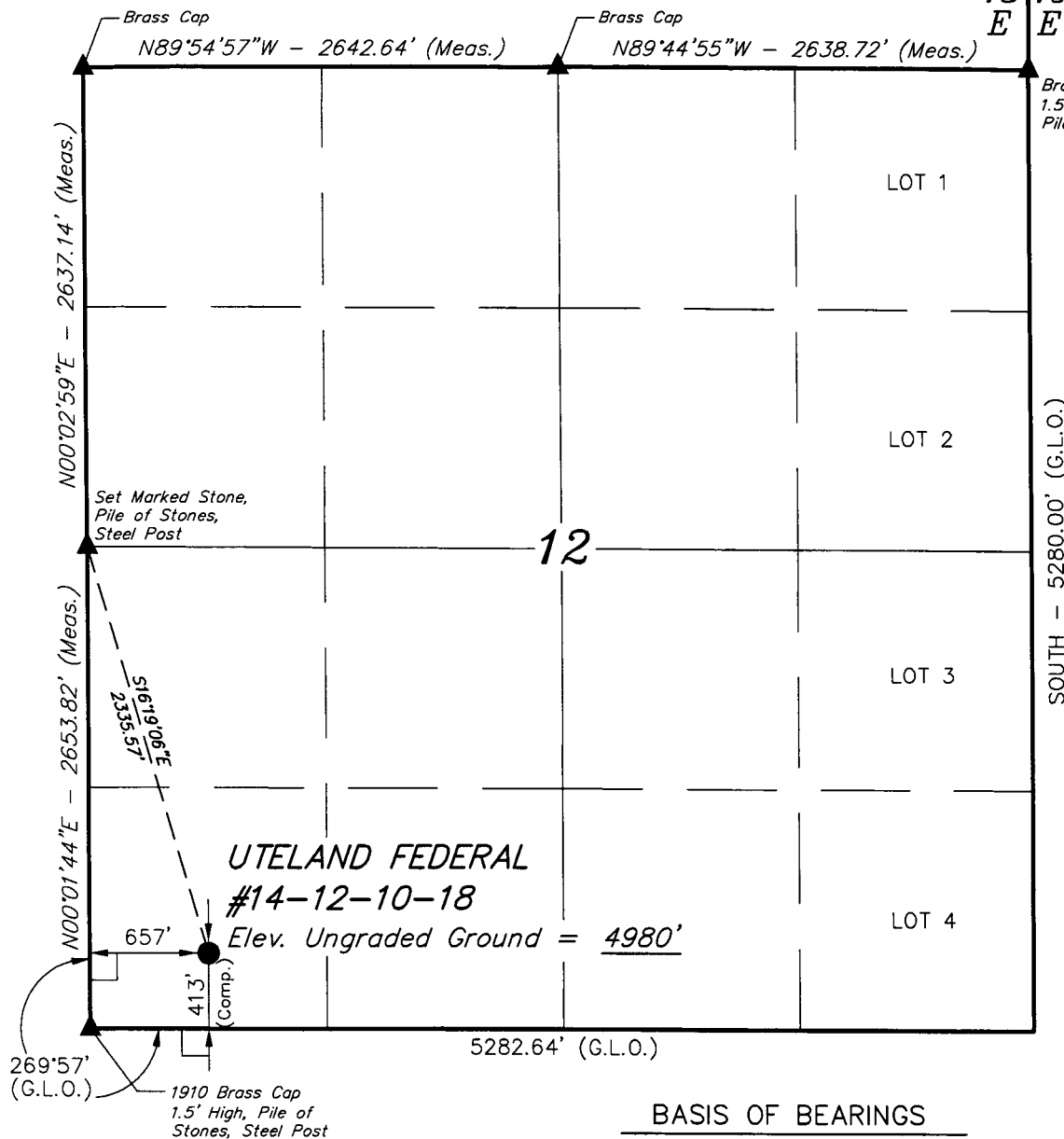
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. Hay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 01-12-06

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 11-04-05	DATE DRAWN: 11-23-05
PARTY J.W. B.S. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE GASCO PRODUCTION COMPANY	



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
LATITUDE = 39°57'08.19" (39.952275)
LONGITUDE = 109°50'56.80" (109.849111)
(AUTONOMOUS NAD 27)
LATITUDE = 39°57'08.32" (39.952311)
LONGITUDE = 109°50'54.28" (109.848411)

LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.



14421 County Rd. 10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

May 26, 2006

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Attn: Diana Whitney

Re: Gasco Production Company
Uteland Federal #14-12-10-18
413' FSL and 657' FWL
SW SW Section 12, T10S - R18E
Uintah County, Utah

Diana,

Please note that this location was staked at non-standard spacing in accordance with the rules and regulations of the Utah Division of Oil Gas and Mining. This was done for geologic considerations. Please also note that Gasco Production Company is the only working interest owner within a 460 foot radius. Therefore, we request your administrative approval of this exception to spacing.

If you should need additional information, please don't hesitate to contact me

Sincerely,

PERMITCO INC.

Venessa Langmacher
Consultant for
Gasco Production Company

Enc.

cc: Gasco Production Company - Englewood, CO
Shawn Elworthy - Roosevelt, UT

RECEIVED

JUN 01 2006

DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT TO DRILL OR REENTER

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
Attached.
2. A Drilling Plan
See Attached
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the Appropriate Forest Service Office.
See Surface Use Plan Attached.
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20).
Bond coverage for this well is provided by Gasco Production Company under their Bond #UT-1233.
5. Operator certification.
Please be advised that Gasco Production Company is considered to be the operator of the above mentioned well. Gasco Production Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.
6. Such other site specific information and/or plans as may be required by the authorized officer.

ONSHORE ORDER NO. 1
Gasco Production Company
Uteland Federal #14-12-10-18
413' FSL and 657' FWL
SW SW Sec. 12, T10S - R18E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-013821

DRILLING PROGRAM

Page 2

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. **ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS**

<i>Formation</i>	<i>Depth</i>	<i>Subsea</i>
Wasatch	4,655'	+300'
Mesaverde	8,430'	-3,475'
Castlegate	10,845'	-5,890'
Blackhawk	11,085'	-6,130'
Spring Canyon	11,835'	-6,880'
TD	12,100'	

2. **ESTIMATED DEPTH OF ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:**

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Gas	Wasatch	4,900'-8,430'
Gas	Mesaverde	8,430'-10,845'
Gas	Blackhawk	11,835'-12,050'

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



3. **PRESSURE CONTROL EQUIPMENT**

Gasco Production Company's minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double with annular, 5000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.



BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 5000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. PROPOSED CASING AND CEMENTING PROGRAM:

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).



- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.



m. The proposed casing program will be as follows:

Purpose	Depth	Hole Size	O.D.	Weight	Grade	Type	New/Used
Conductor	0-200'	17-1/2"	13-3/8"	48#	H-40	---	New
Surface	0-3,183'	12-1/4"	8-5/8"	32#	J-55	ST&C	New
Production	0- 12,100'	7-7/8"	4-1/2"	13.5#	P-110	LT&C	New

n. Casing design subject to revision based on geologic conditions encountered.

o. The cement program will be as follows:

Conductor	Type and Amount
TOC @ Surface	200 sxs Premium Type 5 @ 15.6 ppg, 1.18 yield.
Surface	Type and Amount
TOC @ Surface	Lead: 518 sx Hi-Lift @ 11.0 ppg, 3.91 cu ft/sk. Tail: 185 sx 10-2 RFC @ 14.2 ppg, 1.63 cu ft/sk.
Production	Type and Amount
TOC @ 2,500'	Lead: 523 sx Hi-Lift @ 11.5 ppg, 3.05 cu ft/sk. Tail: 1114 sx 50/50 POZ @ 14.1 ppg, 1.28 cu ft/sk.

- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.



ONSHORE ORDER NO. 1
Gasco Production Company
Uteland Federal #14-12-10-18
413' FSL and 657' FWL
SW SW Sec. 12, T10S - R18E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-013821

DRILLING PROGRAM

Page 7

1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
 1. Kelly cock
 2. No bit float is deemed necessary.
 3. A sub with a full opening valve.

5. MUD PROGRAM

- a. The proposed circulating mediums to be employed in drilling are as follows:

<i>Interval</i>	<i>Mud Type</i>	<i>Mud Wt.</i>	<i>Visc.</i>	<i>F/L</i>	<i>pH</i>
0' - 200'	Fresh Water	8.33	1	N/C	7
200' - 3,183'	Fresh Water	8.33	1	N/C	7-8
3,183' - TD	Fresh Water & DAP	9.0 - 11.5	30 - 40	12 - 20	8

There will be sufficient mud on location to control a blowout should one occur.
A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.



- b. Mud monitoring equipment to be used is as follows:
 - 1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. EVALUATION PROGRAM

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.



All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of a Schlumberger Platform Express or equivalent to be run from TD - base of surface casing.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program will be to test Perform multistage Fracs and complete all productive Blackhawk, Mesaverde and Wasatch zones present in wellbore. Produce all zones commingled.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. ABNORMAL TEMPERATURES OR PRESSURES

- a. The expected bottom hole pressure is 6776 psi. The maximum bottom hole temperature anticipated is 206 degrees F.
- b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 5000# BOP and rotating head.

8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS

- a. Drilling will commence immediately upon approval of this application.
- b. It is anticipated that the drilling of this well will take approximately 35 days.



- c. The BLM in Vernal, Utah shall be notified of the anticipated date of location construction commencement and of anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas,



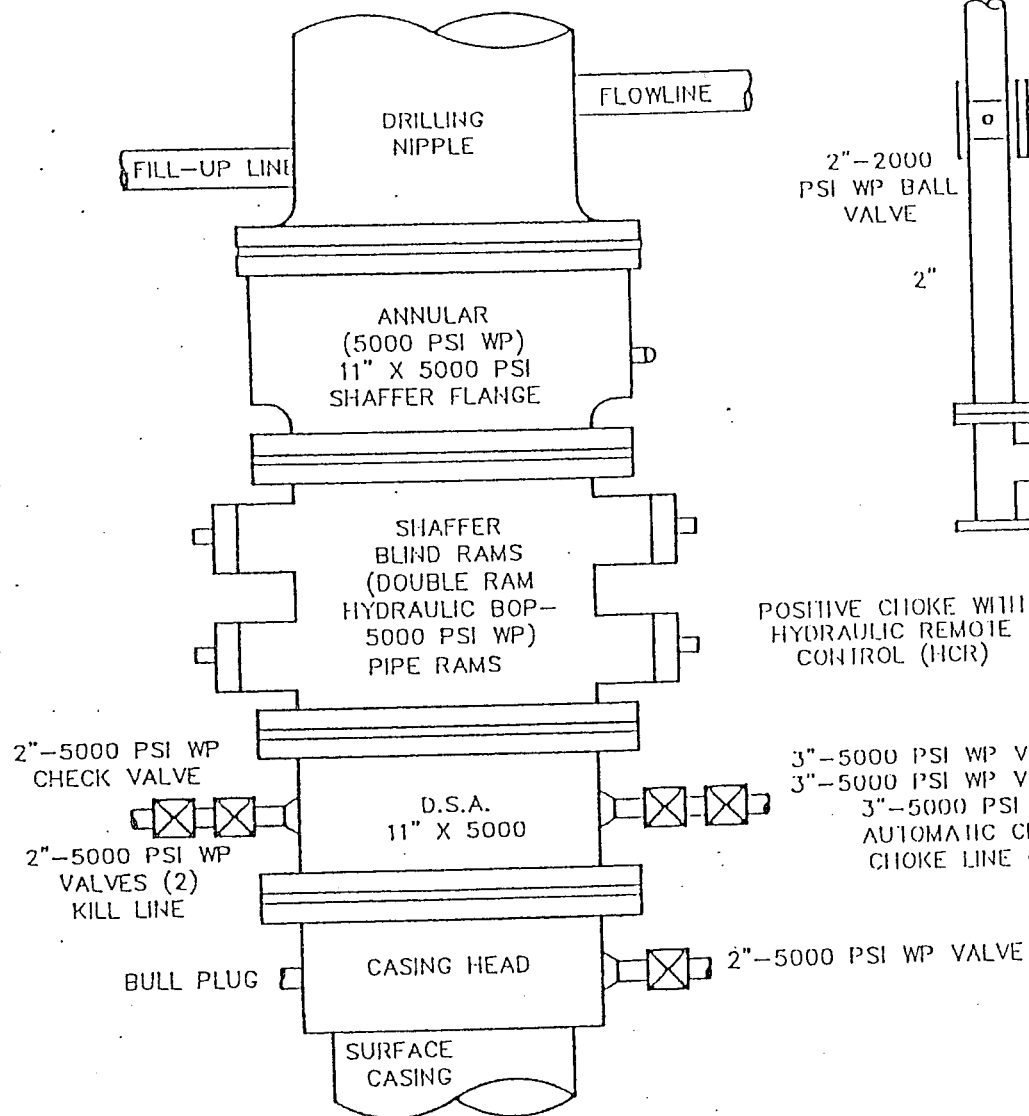
whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.

- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

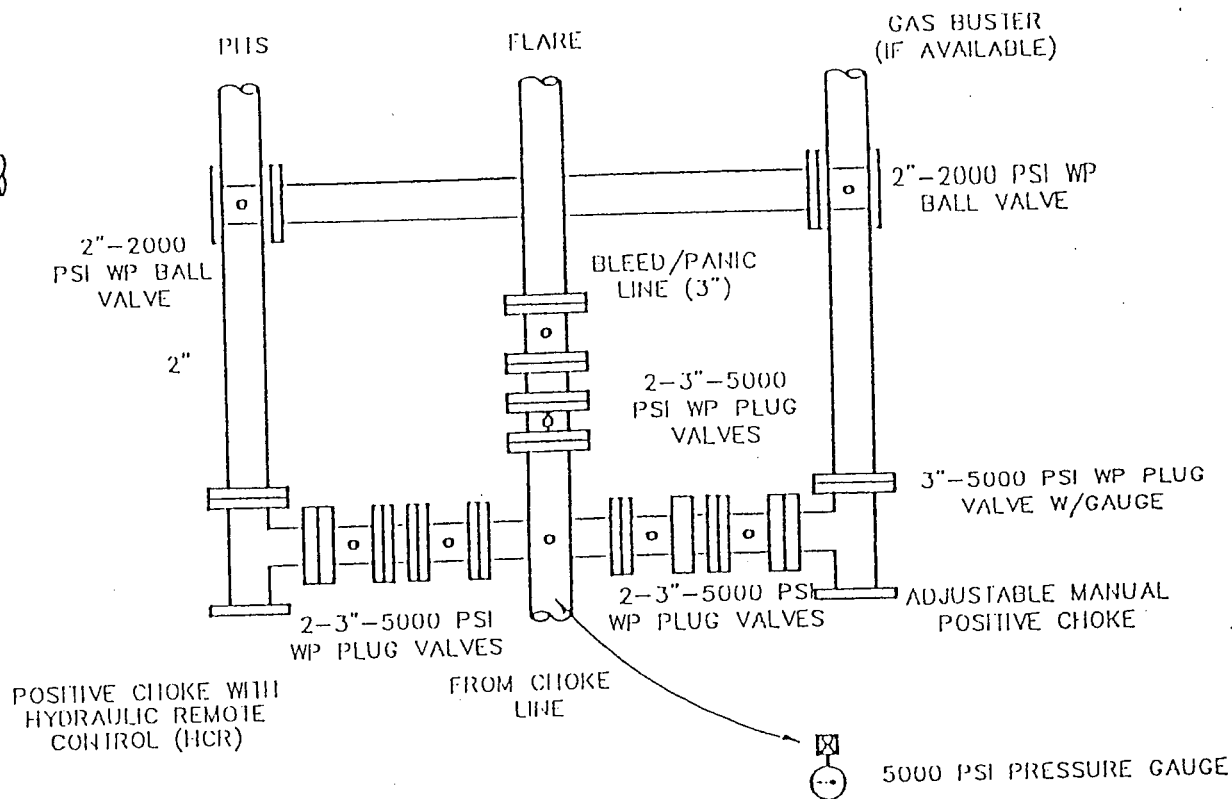
Bureau of Land Management 170 South 500 East Vernal, Utah 84078		
Phone: 435/781-4400		Fax: 435/781-4410
After Hours:		
Matt Baker	Petroleum Engineer	435/828-4470
Michael Lee	Petroleum Engineer	435/828-7875



BOP SCHEMATIC 5000 PSI WORKING PRESSURE



PLAN VIEW CHOKES MANIFOLD



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

ONSHORE ORDER NO. 1
Gasco Production Company
Uteland Federal #14-12-10-18
413' FSL and 657' FWL
SW SW Sec. 12, T10S - R18E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-013821

SURFACE USE PLAN

Page 1

**ONSHORE OIL & GAS ORDER NO. 1
NOTIFICATION REQUIREMENTS**

Location Construction -	forty-eight (48) hours prior to construction of location and access roads.
Location Completion -	prior to moving on the drilling rig.
Spud Notice -	at least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing -	twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and Related Equipment Tests -	twenty-four (24) hours prior to initiating pressure tests.
First Production - Notice	within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

The onsite inspection for the subject well site was conducted on Thursday, December 1, 2005. Weather conditions were cold and overcast. In attendance at the onsite inspection were the following individuals:

Karl Wright	Natural Resource Specialist	Bureau of Land Management
Amy Torres	Wildlife Biologist	Bureau of Land Management
Caleb Rounsaville	Field Supervisor	Gasco Production Company
Hal Marshall	Civil Engineer	Uintah Engineering and Land Surveying

* This location was originally staked at 464' FSL and 657' FWL. The location was moved 50' South to pull Corner 9 away from a large drainage.

1. EXISTING ROADS

- a. The proposed well site is located approximately 28.9 miles southeast of Myton, Utah.



- b. Directions to the location from Myton, Utah are as follows:

Proceed southwesterly on Highway 40 for 1.5 miles. Turn left and proceed southeasterly for approximately 11 miles to the Castle Peak Mine. Stay south and proceed 5.6 miles. Turn right and proceed southerly 2.5 miles. Continue southeasterly 2.9 miles. Turn right and proceed southerly 2.8 miles. Continue easterly 1.4 miles. Turn right and proceed southerly along the proposed access 1.2 miles until reaching the proposed location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to existing main roads will not be required.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. PLANNED ACCESS ROADS

- a. Approximately 1.2 miles of new construction will be necessary.
- b. The maximum grade of the new construction will be approximately 8%.
- c. No culverts will be necessary. One low water crossing will be constructed.
- d. The last 1.2 miles of new access road was centerline flagged at the time of staking.
- e. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- f. No cattle guards will be necessary.
- g. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.



- h. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- i. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- j. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- k. No road right of way will be necessary.

3. **LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION.**
(See Map "C")

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - four
- d. Drilling wells - none
- e. Shut-in wells - two
- f. Temporarily abandoned wells - none
- g. Disposal wells -none



- h. Abandoned wells - three
- i. Dry Holes - none

4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Carlsbad Canyon. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. If the well is productive, a production facility layout will be submitted via sundry.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow line will be buried or anchored down from the wellhead to the separator. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.



- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- l. The road will be maintained in a safe useable condition.
- m. Produced water will be stored in a 300 bbl heated, insulated tank, then hauled to a commercial disposal site such as Disposal Inc., or Brennan Bottom.
- n. Pipelines will follow the route shown on Map D. See Pipeline detail attached.

5. LOCATION AND TYPE OF WATER SUPPLY

- a. The proposed water source will be the Nebecker Water Service at the Nebecker Water Station in Myton, permit #43-1721.
- b. Water will be hauled by Nebecker Water Service to the location over the access roads shown on Maps A and B.
- c. No water well will be drilled on this lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.



7. METHODS OF HANDLING WASTE DISPOSAL

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. At the request of the BLM, the reserve pit will be lined with a 12 mil liner. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. ANCILLARY FACILITIES

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.



9. WELL SITE LAYOUT

- a. The operator or his/her contractor shall contact the BLM Office at 435/781-4400 forty-eight (48) hours prior to construction activities.
- b. The reserve pit will be located on the southeast side of the location.
- c. The flare pit will be located on the west side of the reserve pit, a minimum of 100 feet from the well head and 20 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the north side of the location, between Corners 7 & 9 near the wellpad. Topsoil along the access route will be wind rowed on the uphill side.
- e. Access to the well pad will be from the east as shown on the Pit & Pad Layout.
- f. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- h. All pits will be fenced according to the following minimum standards:
 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.



- i. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. PLANS FOR RESTORATION OF SURFACE

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities or operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. A seed mixture will be specified by the Bureau of Land Management in their Conditions of Approval for the subject well.

Seeding will be performed immediately after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. Seed will be broadcast and walked in with a dozer.

- f. The topsoil stockpile will be seeded as soon as the location has been constructed with the same recommended seed mix. The seed will be walked in with a cat.
- g. The BLM will attach the seedmix in the conditions of approval.



Dry Hole

- h. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

Interim Surface Reclamation will be as follows:

1. Immediately after final well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production operations.
2. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in the reserve pit will be removed. Other waste and spoil materials will be disposed of immediately, weather permitting, upon final well completion.
3. If a synthetic, nylon re-enforced, liner is used, the excess liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the reserve pit. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The liner will be buried to a minimum of four (4) feet deep.
4. The reserve pit will be reclaimed within 180 days from the date of final well completion, weather permitting.
5. The reserve pit and that portion of the location not needed for production and storage facilities, and everyday production operations, will be reshaped to the approximate original contours to the extent possible. This will be completed by backfilling and crowning the pit to prevent water from standing. Topsoil will be re-spread up to the rig anchor points, excluding the area needed for production and storage facilities and everyday production operations. Re-seeding, using appropriate reclamation methods, will occur immediately following the re-spreading of topsoil, weather permitting. The Authorized Officer will provide a seed mixture to re-vegetate the reserve pit and other unused disturbed areas at the time of the onsite.

11. **SURFACE OWNERSHIP**

Access Roads - The majority of the access roads are maintained by the County Road Department or the Bureau of Land Management.

Well pad - The well pad is located on lands managed by the BLM.



12. OTHER INFORMATION

- a. A Class III archeological survey has been conducted by Grand River Institute. A copy of this report is attached.
- b. A Botany Survey was conducted by SWCA and a copy of the report is attached.
- c. A Paleontological Survey was conducted by Erathem-Vanir Geological and a copy of the report is attached.
- d. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.
- e. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.



ONSHORE ORDER NO. 1
Gasco Production Company
Uteland Federal #14-12-10-18
413' FSL and 657' FWL
SW SW Sec. 12, T10S - R18E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-013821

SURFACE USE PLAN

Page 11

- f. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- g. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- h. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- i. There will be no deviation from the proposed drilling and/or work over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- j. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- k. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- l. The operator or his contractor shall contact the BLM Offices at 435/781-4400 48 hours prior to construction activities.
- m. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.



ONSHORE ORDER NO. 1
Gasco Production Company
Uteland Federal #14-12-10-18
413' FSL and 657' FWL
SW SW Sec. 12, T10S - R18E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-013821

SURFACE USE PLAN

Page 12

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

Permit Matters

PERMITCO INC.

14421 County Road 10
Ft. Lupton, CO 80621
303/857-9999 (O)
303/857-0577 (F)
Lisa Smith

Drilling & Completion Matters

Gasco Production Company

8 Inverness Drive East, Suite 100
Englewood, CO 80112
John Longwell
303/483-0044 (O)
303/ 483-0011(F)

Shawn Elworthy - Field Superintendent
Roosevelt, UT
435-823-4272 (cell)


CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Gasco Production Company and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

January 30, 2006

Date:


Venessa Langmacher - PERMITCO INC.
Authorized Agent for:
Gasco Production Company



PIPELINE INFORMATION
Uteland Federal #14-12-10-18

1. The type of pipeline is a single well flow line.
2. The outside diameter (O.D.) of all will be 8 inches maximum.
3. The anticipated production through the line is approximately 2000 MCF per day.
4. The anticipated maximum test pressure is 1000 psi.
5. The anticipated operating pressure is 100-200 psi.
6. The type of pipe is steel.
7. The method of coupling is welded.
8. The pipeline will be laid on surface because of the rocky soil.
9. There are no other pipelines to be associated in same right of way.
10. There will be other objects to be associated in the same right of way. (Risers, Pig Launchers Pig Traps, meters and other appurtenances as required.)
11. The total length of pipeline is approximately 19,150 feet - see Map D
12. The line will be laid on surface to minimize disturbance along the wash, as shown on Map D. Where possible, the pipeline will follow existing or proposed roads.
13. The construction width for total surface disturbing activities is 30 feet.
14. The estimated total acreage involving all surface disturbing activities is 13.19 acres.
15. Any surface disturbance created as a result of the pipeline construction will be reclaimed utilizing the reclamation procedures and seed mixture specified by the Bureau of Land Management.
16. The line will be tested with gas pressure to 1000 psi.

FEDERAL STIPULATIONS AND TIMING RESTRICTIONS

Any federal stipulations will be attached as a condition of approval.



December 9, 2005

Mr. Blaine Phillips
Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, Utah 84078

RE: Federal 14-12-10-18 Well Pad, Pipeline, and Access Road

This letter serves as a report of the cultural resources inventory for the proposed Gasco Energy, Inc. Federal 14-12-10-18 well pad, pipeline, and access road. Survey of this parcel was conducted under SWCA's Utah State permit U-05-ST and under Utah State project number U-05-ST-1169b,s. No cultural resources were identified as a result of this survey.

The parcel is located on land owned by the Bureau of Land Management (BLM) in Uintah County, Utah and appears on the Moon Bottom, Utah (1985) USGS 7.5' topographic quadrangle in T10S, R18E, Section 12 (Figures 1, 2, and 3).

A Class I file search for this project was conducted as part of the related Riverbend pipeline project. The GIS search at the Utah Division of State History was done on August 30, 2005. The search of the project and site files at the Utah Division of State History was carried out on August 30 and 31, September 1 and 30, and October 11, 2005. In all, only one previously identified site was noted as being within 1.0 mile of the proposed project area. Site 42UN001388 is located almost exactly 1.0 mile away from the proposed Federal Well 14-12-10-18, access road, and pipeline. It was documented during the Four Mile Wash Reservoirs Project (U-83-BL-0255b) on June 16, 1983 (Phillips 1983). The site was determined to not be within the viewshed of the proposed project and will not be affected.

On November 4, 2005, Scott B. Edmisten from SWCA conducted a cultural resources inventory of the project area for the proposed Federal Well 14-12-10-18 and its associated access road and pipeline; the access road and pipeline parallel each other for most of their extent. In all, 1.1 miles of pipeline, 0.3 mile of access road, and 8.9 acres of well pad area were surveyed. Approximately 1.1 acres in the vicinity of the proposed well pad consisted of land with slopes steeper than 30 degrees, including talus topography on the north side of the well pad survey area. These 1.1 acres were not surveyed due to the lack of potential for cultural resources, and the absence of rock shelters and potential for rock art panels in this area. No cliff bands, or substantial rock outcrops were observed.

Transects spaced 15 meters (approximately 50 feet) apart were used for the entire well pad area. Where the proposed access road and proposed pipeline were parallel, two transects were surveyed along the proposed corridor. For the 0.8 mile of proposed pipeline that would parallel the existing Four Mile Wash Road, one transect was surveyed for the proposed pipeline since no access road is needed in this area. Gasco anticipates that no more than a 40-foot-wide corridor will be needed to construct the proposed road and proposed pipeline where they will run parallel, and that no more than a 30-foot-wide corridor will be needed to construct the pipeline paralleling Four Mile Wash Road. No historic or prehistoric cultural resources were identified during the survey.

In sum, we recommend a determination of no historic properties affected within the planned construction area for this project. Additionally, we recommend that the project be allowed to proceed as planned.

Please let me know if you have any comments, questions, or concerns regarding the cultural resources inventory of the proposed Gasco Federal 14-12-10-18 well pad, access road, or pipeline, or regarding the information contained in this letter report. I can be reached via phone at 1-801-322-4307 or via e-mail at hstettler@swca.com.

Sincerely,

Heather K. Stettler, Ph.D., RPA
Senior Project Manager

Encl: Additional copy for the Utah Division of State History

cc: Mr. Mark Choury of Gasco Energy, Inc.

Reference:

Phillips, H.B.

1983 Cultural Investigations of 4-Mile Reservoir #1, Uintah County, Utah. Prepared by Bureau of Land Management, Vernal District, Vernal, Utah. Submitted to Bureau of Land Management, Utah State Office, Salt Lake City. Copies available from Utah State Historic Preservation Office, Salt Lake City.



Figure 1. Overview of the area surveyed for the proposed Federal 14-12-10-18. The survey area includes 8.9 acres around this center stake for the well pad; view northeast with Four Mile Wash Road in background.



Figure 2. Overview of the area surveyed for the proposed access road and pipeline leading to Federal 14-12-10-18. Photo taken from intersection with Four Mile Wash Road, view southwest.

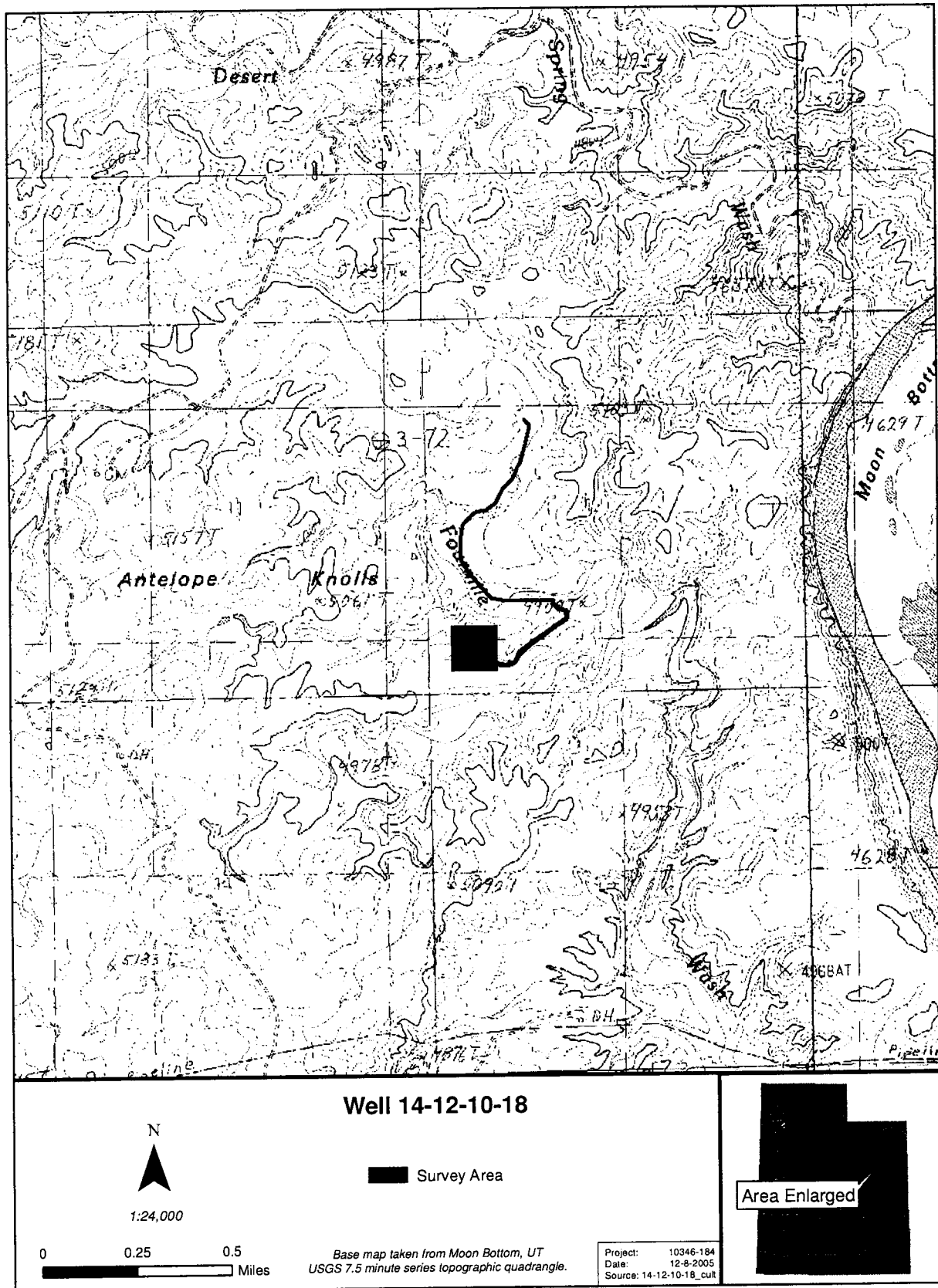
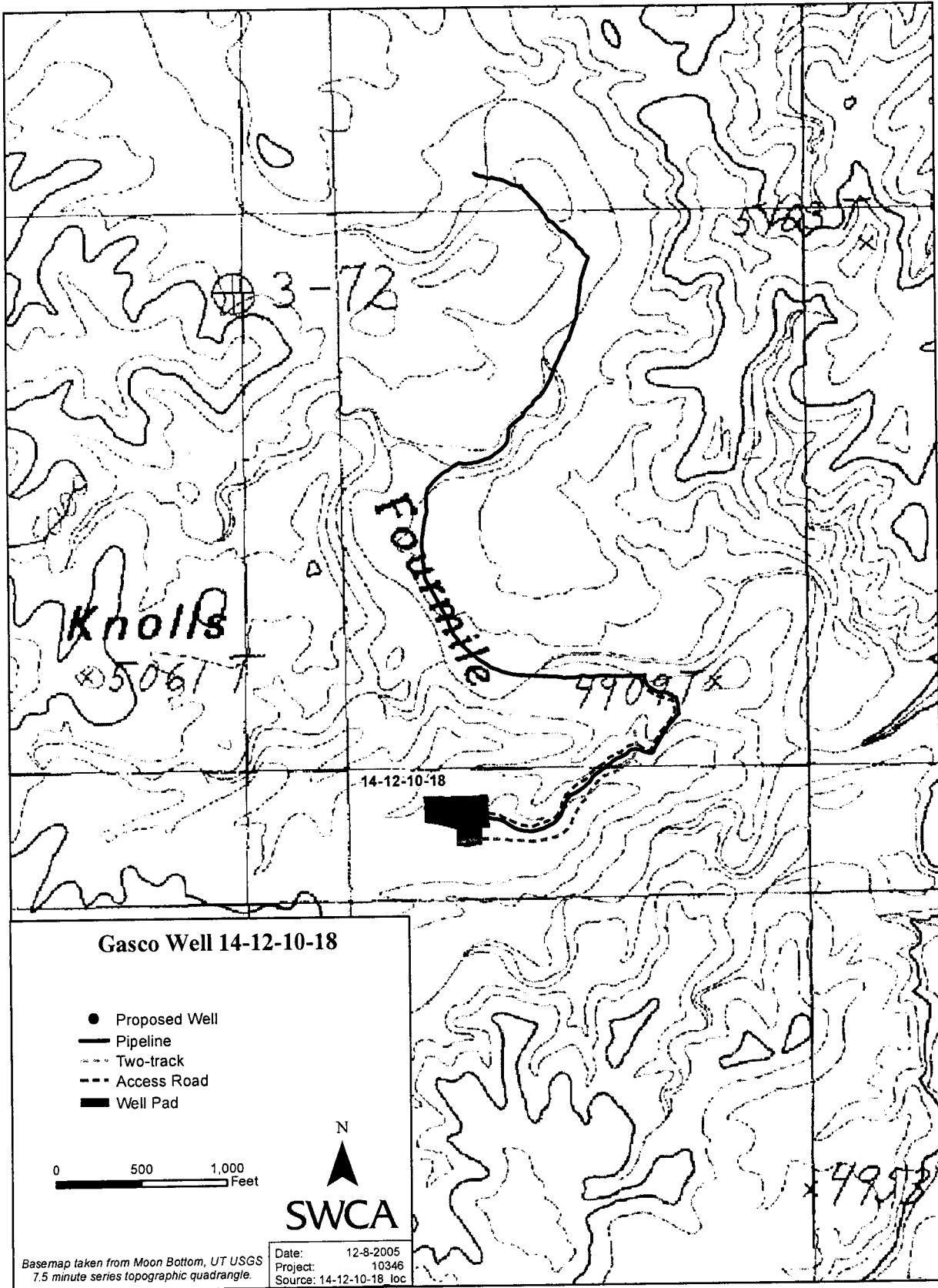


Figure 3. Locational map of Federal 14-12-10-18, access road, and pipeline survey areas.



Gasco Well 14-12-10-18

- Proposed Well
- Pipeline
- - - Two-track
- - - Access Road
- Well Pad

0 500 1,000 Feet



Basemap taken from Moon Bottom, UT USGS
7.5 minute series topographic quadrangle.

Date: 12-8-2005
Project: 10346
Source: 14-12-10-18 loc

SPECIAL STATUS PLANT AND WILDLIFE SPECIES REPORT

GASCO PRODUCTION COMPANY
ACCESS ROAD, PIPELINE, WELL PAD

14-12-10-18
SWSW SECTION 12 T 10S R 18E

SWCA Environmental Consultants
Salt Lake City, Utah

PROPOSED PROJECT:

Gasco Production Company proposes to construct a well location and access road in the above legal location. The proposed access road is approximately 1500' feet in length and ties in with an existing road. If the well goes into production, approximately 1 mile of pipeline will be constructed. From the well, the pipeline will parallel the access road and turn northwest to follow the existing road into the SENW Section 12 T 10S R 18E.

SITE DESCRIPTION:

The proposed project is underlain by sedimentary deposits of the Uinta Formation of Late Middle Eocene age at approximately 5000' elevations. The soils on site consist of silty sand with overlaying rocks. The well pad sits on the side of a butte, which drains to the north into a dry wash. The proposed access road traverses the butte to tie into the existing road. This road and the proposed pipeline wind through a sandy wash.

The vegetation identified on site is a desert shrub community dominated by saltbush species and also consisting of Mormon tea, broom snakeweed, desert trumpet, Indian ricegrass, galleta grass, squirrel tail barley, and prickly pear cactus. Cheat grass is found in moderate amounts within the native vegetation.

SITE REVIEW METHODOLOGY AND FINDINGS:

Past surveys, geology, elevations, and vegetation types were reviewed to determine which special status plant species have the potential to occur on the proposed project sites. *Sclerocactus glaucus* is the only special status species that has potential habitat in the project sites (Appendix A).

A qualified biologist conducted a survey for the presence/absence of Uinta Basin hookless cactus (*Sclerocactus glaucus*) at the proposed well location, access road, and

pipeline on November 15, 2005. The proposed well location, access road and pipeline was walked at 5-foot intervals to detect the presence/absence of this species.

PRESENCE/ABSENCE FINDINGS:

No populations or individuals of Uintah Basin hookless cactus were found.

Approximately 10% or less of the project area was good habitat for the Uintah Basin hookless cactus (approximately 0.5 acres). The project site was not re-located because of the relatively small amount of potential habitat disturbance.

WILDLIFE SURVEY METHODOLOGY AND RESULTS:

Binoculars were used to glass the surrounding area for raptors and other wildlife. During the exam, each proposed access road; pipeline corridor and well location was carefully examined for the presence of special status wildlife species. There are no known raptor nests or special status wildlife habitat within the project site.

DETERMINATIONS AND RECOMMENDATIONS:

Based on a review of existing data and a field visit on November 15, 2005 it is my professional opinion that the proposed project “may affect but will not likely adversely affect” special status plants or suitable habitat as long as the following mitigation measures are implemented:

- An access road route using the existing 2-track that parallels the lath line should be considered in order to minimize further disturbance to suitable plant habitat (see map).
- In order to minimize disturbance to Uintah Basin hookless cactus habitat, the proposed pipeline should be placed immediately adjacent to the road, with the road corridor being part of the proposed pipeline disturbance width.

//s// A. Christensen
Amanda Christensen
Plant and Wildlife Specialist

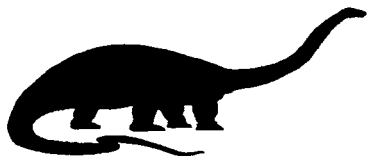
12/12/05
Date

APPENDIX A. SPECIAL STATUS PLANT SPECIES **

SPECIES	STATUS	HABITAT	POTENTIAL for and/or OCCURRENCE
<i>Arabis vivariensis</i> park rock cress	Sensitive	Webber Formation sandstone and limestone outcrops in mixed desert shrub and pinyon-juniper communities. 5000-6000ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Astragalus equisolensis</i> horseshoe milkvetch	Candidate	Duchesne River Formation soils in sagebrush, shadscale, horse brush and mixed desert shrub communities. 4790-5185ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Astragalus hamiltonii</i> Hamilton milkvetch	Sensitive	Duchesne, Mowery shale, Dakota and Wasatch Formation soils in pinyon-juniper and desert shrub communities. 5240-5800ft	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Cirsium ownbeyi</i> Ownbey thistle	Sensitive	East flank Uinta Mountains. Sagebrush, juniper and riparian communities. 5500-6200ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area. Out of range.
<i>Habenaria zothecina</i> Alcove bog-orchard	Sensitive	Moist stream banks, seeps, hanging gardens in mixed-desert shrub, pinyon juniper, and oak brush (4,360-8,690 feet).	None - Soils and associated riparian areas are not present in project areas.
<i>Hymenoxys lapidicola</i> Rock hymenoxis	Sensitive	Rock crevices in pinyon-juniper. Uintah County endemic (6,000-8,000 feet).	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Lepidium huberi</i> Huber's pepperplant	Sensitive	Rock crevices, eroding parent material and alluvial soils of the Moenkopi, Navajo, Chinle and Formations in the Uintah and Green River Formation in the Bookcliffs. 5600- 8000 ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Penstemon acaulis</i> stemless penstemon	Sensitive	Daggett County. Semi-barren substrates in pinyon-juniper and sagebrush-grass communities. 5840-7285 ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Penstemon flowersii</i> Flowers penstemon	Sensitive	Clay badlands from Myton to Roosevelt and Randlett, in shadscale and desert communities. 5000-5400ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.

SPECIES	STATUS	HABITAT	POTENTIAL for and/or OCCURRENCE
<i>Penstemon gibbensii</i> Gibbens penstemon	Sensitive	Brown's Park in Daggett County. Sandy and shale (Green River Shale) bluffs and slopes with juniper, thistle, Eriogonum, Elymus, serviceberry, rabbit brush & Thermopsis 5500-6400 ft.	None - None - No suitable habitat. Formations and associated soils do not occur in the analysis area. Out of Range.
<i>Penstemon goodrichii</i> Goodrich penstemon	Sensitive	Lapoint-Tridell-Whiterocks area. Duchesne River Formation on blue gray to reddish bands of clay badlands. Elevations 5590 to 6215 ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Penstemon grahamii</i> Graham beardtongue	Candidate	East Duchesne and Uintah Counties. Evacuation Creek and Lower Parachute Member of the Green River Formation. Shale knolls in sparsely vegetated desert shrub and pinyon-juniper communities. 4600-6700 ft	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Penstemon scariosus</i> var. <i>albifluvis</i> White River penstemon	Candidate	Evacuation Creek and Lower Parachute Creek Member of the Green River Formation on sparsely vegetated shale slopes in mixed desert shrub and pinyon-juniper communities. 5000-6000ft	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Schoenocrambe argillacea</i> Clay thelopody	Threatened	Bookcliffs On the contact zone between the upper Uinta and lower Green River shale formations in mixed desert shrub of Indian ricegrass and pygmy sagebrush. 5000-5650 ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Schoenocrambe suffrutescens</i> Shrubby reed-mustard	Endangered	Evacuation Creek and lower Parachute Creek Members of the Green River Formation on calcareous shale in pygmy sagebrush, mountain mahogany, juniper and mixed desert shrub communities. 5400-6000ft.	None - No suitable habitat. Formations and associated soils do not occur in the analysis area.
<i>Sclerocactus glaucus</i> (<i>Sclerocactus brevispinus</i>) Uinta Basin hookless cactus	Threatened	Gravelly hills and terraces on Quaternary and tertiary alluvium soils in cold desert shrub communities. 4700-6000ft.	POTENTIAL HABITAT Survey of location on November 15, 2005 found no plants on the proposed activity site.

SPECIES	STATUS	HABITAT	POTENTIAL for and/or OCCURRENCE
<i>Spiranthes diluvialis</i> Ute lady's tresses	Threatened	Streams, bogs and open seepages in cottonwood, salt cedar, willow and pinyon-juniper communities on the south and east slope of the Uintah Range and it's tributaries, and the Green River from Browns Park to Split mountain. Potentially in the Upper reaches of streams in the Book Cliffs. 4400-6810ft.	None - Soils and associated riparian areas are not present in project areas.



Erathem-Vanir Geological PLLC

2021 Ardella Drive, Pocatello, ID 83201

Phone/Fax (208) 232-5212

Cell (208) 244-1161

PALEONTOLOGIC RESOURCES LETTER REPORT

Project: Paleontological evaluation of proposed GASCO 14-12-10-18 well pad and access road.

Location: Uintah County, Utah (Figure 1), Section 12, T10S, R18E.

Status of Lands Studied: Public lands administered by the Bureau of Land Management (BLM).

Agency Contact: Mr. John Mayers, Paleontology Lead/Geologist, BLM Vernal Field Office.

Company Contacts: Mr. Shawn Childs, SWCA, Logan, Utah.

Paleontological PI: Gustav F. Winterfeld, PhD, Principal Scientist, Erathem-Vanir Geological Consultants PLLC (EVG), Pocatello, ID.

Project Description: GASCO proposes to drill a well, the Federal 14-13-10-18, on BLM lands in the Antelope Knolls area of Uintah County in Section 12, T10S, R18E, and will construct a well pad for the well and an access road to this well. The proposed access road and well pad are underlain at the by sedimentary deposits of the Wagonhound Member of the Uinta Formation of Late Middle Eocene age (Figures 3 - 7).

Work Conducted/Personnel/Permit: At the request of SWCA (Logan, UT), as required by the BLM, EVG conducted a paleontological evaluation of the proposed well pad and access road. Survey involved visually examining bedrock exposures of the Uinta Formation and anthills for fossils. The PI for the project; Gustav F. Winterfeld, PhD, conducted the survey on November 5, 2005 as authorized by a Paleontological Resources Use Permit (UT-S-05-019) issued to him by the BLM. Dr. Winterfeld was assisted by his wife Ms. Sachiko Fukuoka, who is an experienced fossil prospector and collector.

Paleontological Resource Ratings: The BLM classifies its lands with regard to paleontological resources by the Paleontology Condition System, which is in standard use in Utah BLM offices.

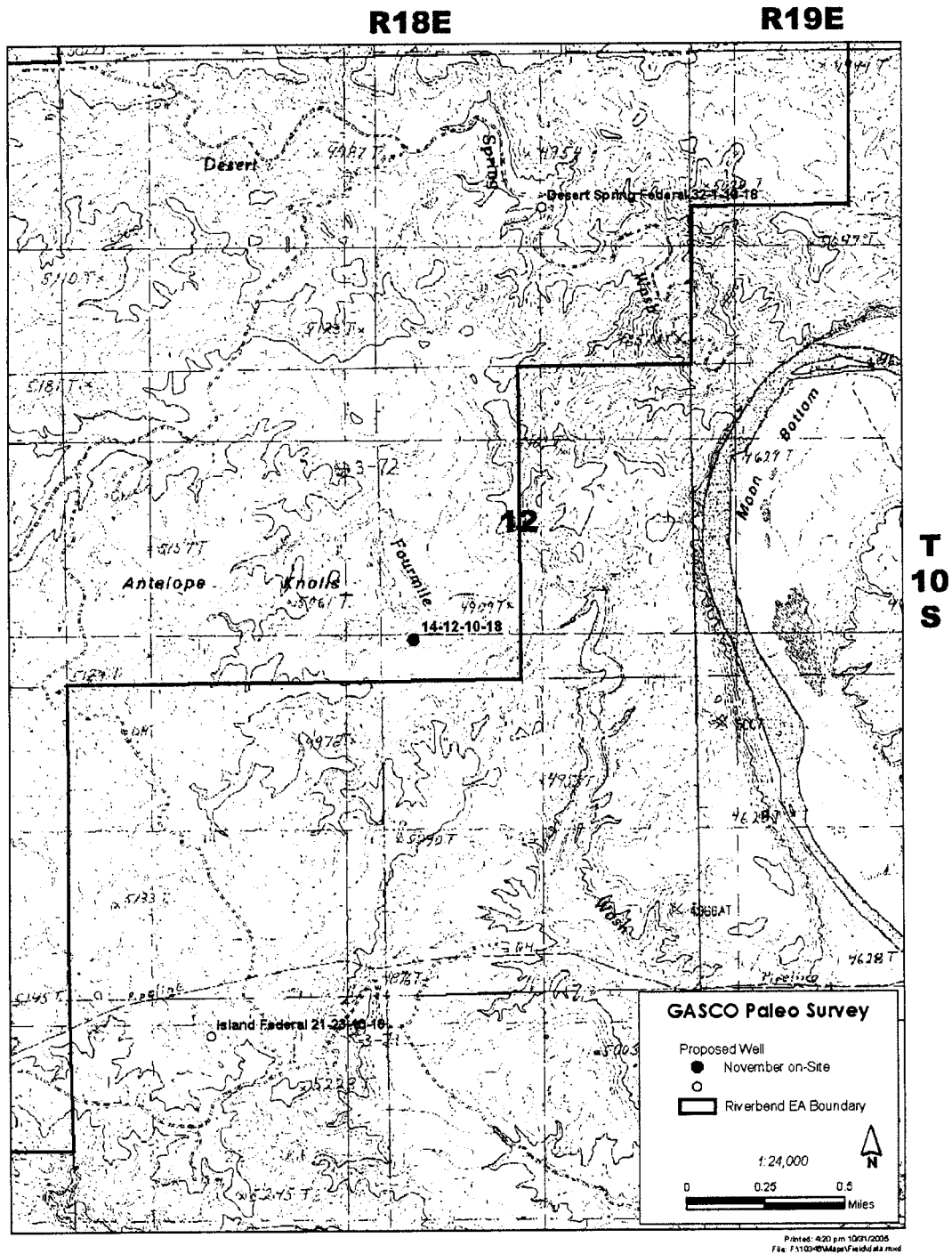


Figure 1. Location of proposed GASCO Riverbend Federal 14-12-10-18 well. The access road (not shown) trends east and north of the well to connect to dirt road in Fourmile Wash.

The Paleontology Condition system is a rating of areas (geological units or areas of specific geologic units) according to their potential to contain vertebrate fossils, or noteworthy occurrences of invertebrate or plant fossils. According to the BLM Handbook 8270-1 (USDA-BLM 1998) these include:

Condition 1: Areas that are known to contain vertebrate fossils or noteworthy occurrences of invertebrate or plant fossils. Consideration of paleontological resources will be necessary if the Field Office review of available information indicates that such fossils are present in the area.

Condition 2: Areas with exposures of geological units or settings that have high potential to contain vertebrate fossils or noteworthy occurrences of invertebrate or plant fossils. The presence of geologic units from which such fossils have been recovered elsewhere may require further assessment of these same units where they are exposed in the area of consideration.

Condition 3: Areas that are very unlikely to produce vertebrate fossils or noteworthy occurrences of invertebrate or plant fossils based on their surficial geology, igneous or metamorphic rocks, extremely young alluvium, colluvium or eolian deposits or the presence of deep soils. However, it possible it should be noted at what depth bedrock may be expected in order to determine if fossiliferous deposits may be uncovered during surface disturbing activities.

The Uinta Formation is well known for yielding vertebrate fossils of scientific significance in the Uinta Basin and satisfies BLM Paleontology Condition 1. The Wagonhound Member does not appear to be as fossiliferous as the overlying Myton Member. This may be due in part to the overall coarseness of the Wagonhound Member which is chiefly composed of sandstone that accumulated in river and stream environments, as opposed to the more fine-grained nature of the Myton Member, which accumulated chiefly in flood basin environments. The lower part of the Wagonhound Member which is dominantly sandstones has yet to produce abundant vertebrate fossils.

Paleontological Background: The fossil fauna from the Uinta Formation is one of the richest of late middle Eocene age in North America and these fossils have played a very prominent role in paleontologists understanding of mammalian evolution in North America (Rasmussen and other 1999). Its distinctive fossil fauna makes it the type for the Uintan Land Mammal Age (Wood and others 1941).

A synopsis of early paleontological studies in the Uinta Basin and on the Uinta Formation itself is provided by Black and Dawson (1966) and Rasmussen and others (1999). O.C. Marsh of Yale Peabody museum explored for and collected fossils in the vicinity of the White River, in 1870. Later, from 1886 though nearly the end of the 1890s. Princeton University and the American Museum of Natural History prospected for and made large collections of fossil vertebrates from the Uinta Basin, including the Uinta Formation. From 1908 through the 1930's crews from the Carnegie Museum and Field Museum in Chicago collected

intermittently in the Uinta Basin. These fossils established the uniqueness of the fauna from the Uinta Formation and led to the definition of the Uintan Land Mammal Age.

Perhaps the best Uinta fossil mammal list is one compiled by Gunnell and Bartels (1999) who note the occurrence 102 species in 12 orders: Lagomorpha - one family, one species; Proteutheria - one family, one species; Taeniodonta - one family, one species; Creodonta - one family, four species; Carnivora - one family, six species; Primates - one family, four species; Dinocerata - one family, two species; Artiodactyla - four families, 27 species; Mesonychia - one family, three species; Condylarthra- one family, two species; Perissodactyla - seven families, 34 species and Rodentia - four families, 17 species. These authors provide much additional information on the fossil mammals comprising faunas of the Uinta A, B, and C.

In addition to mammalian fossils, which have received the most study, fossil fish, bird, and reptile remains have been discovered at many localities throughout exposures of the Uinta Formation in the Uinta Basin. Fossil turtles are under sampled and as a result many taxa that should be represented in the formation that occur in equivalent strata elsewhere throughout the Rocky Mountains have yet to be documented. Vertebrate trackways are also known from nine localities in the Uinta Formation basinwide. The tracks range from those of small mammals and birds, to those of large ungulates such as amynodonts and brontotheres (Hamblin and others 1999).

Results of Field Survey: Field survey documented the presence of bedrock exposures of the Uinta Formation underlying the proposed access road. Bedrock exposures of the Uinta Formation were absent at the well pad, which is grassy covered and underlain at the surface by Recent sediments (Figures 3 - 7).

Fossil bone fragments including small pieces of highly weathered turtle shell, were found at two places along the access road (Figures 2, 4 - 5), in greenish mudstone. The two locations occur in the same stratigraphic horizon that is separated by an erosional swale. The fossils were too fragmentary and weathered to be identified as anything but bone fragments and are not considered to be scientifically significant.

Recommendations: No additional paleontological work is recommended along the proposed access road or well pad. However contingency for the unanticipated discovery of fossils of scientific significance should be made as follows:

1. Discovery Contingency: If fossil materials of known or suspected scientific significance are uncovered during work on the proposed access roads, the operator should stop work immediately in the vicinity of the discovery and contact the authorized BLM officer. Activities should be redirected until the authorized officer and a qualified paleontologist can assess the situation and advise whether any mitigating measures need to be undertaken before operations can continue.

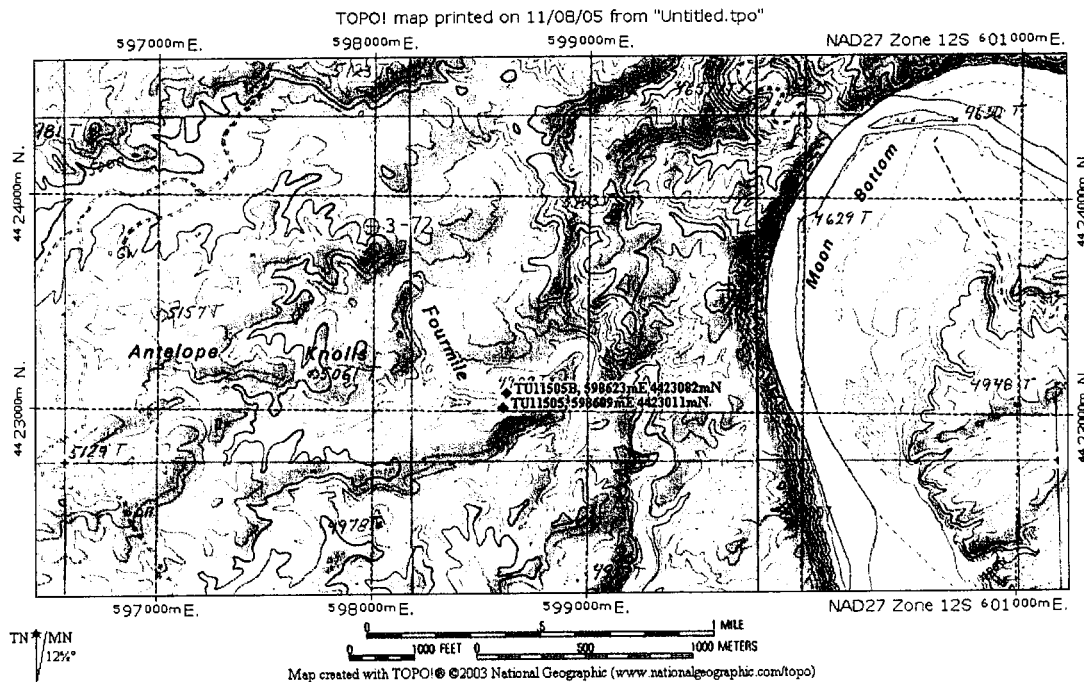


Figure 2. Map showing location of the two places producing fragmentary turtle bones and scutes along the propose access road to the proposed Riverbend Federal 12-14-10-18 well along with GPS UTM coordinates.

III. Curation of Specimens: Fossil specimens of scientific significance recovered, if any, as a result of the discovery contingency should be curated into the collections of a museum repository acceptable to the BLM. Specimens should be prepared to the point of identification, identified, and catalogued into the collections of an established institution.

IV. Letter Report of Findings: Information on the fossils recovered, if any, and their curation during work implemented as a result of these recommendations should be incorporated into a final paleontology technical letter report prepared once the paleontological work is completed.

If no fossils of significance are discovered during road construction, then this report should be considered to meet the paleontological review requirements for the access roads and serve as the final paleontological report for this project.

Because of the known fossil richness of the Uinta Formation, it is recommended that future surface disturbing activities affecting bedrock exposures of the formation, including the Wagonhound Member, be evaluated by field survey for paleontological resources.

Sincerely,

Gustav F. Winterfeld, PhD.
Principal Scientist

8 November 2005

Date

Cited References

Black, C. C. and M. R. Dawson. 1966. A review of late Eocene mammalian faunas from North America. *American Journal of Science*, v. 264. p. 321-349.

Gunnell, G. F. and W. M. Bartels 1999. Middle Eocene Vertebrates from the Uinta Basin, Utah and their relationship with faunas from the southern Green River Basin, Wyoming. pp. 429-442 in D. D. Gillette *ed.* *Vertebrate Paleontology in Utah*. Utah Geological Survey Miscellaneous Publication 99-1.

Hamblin, A. H. W. A. S. Sargeant and D. A. E. Spalding. 1999. Vertebrate Footprints in the Duchesne River and Uinta Formations (Middle to Late Eocene), Uinta Basin, Utah. pp. 443-454 in D. D. Gillette *ed.* *Vertebrate Paleontology in Utah*. Utah Geological Survey Miscellaneous Publication 99-1.

Rasmussen, D. T., G. . Conroy, A. R. Friscia, K.E. Townsend and M D. Kinkel. 1999b. Mammals of the Middle Eocene Uinta Formation, pp. 401-420 in D. D. Gillette *ed.* *Vertebrate Paleontology in Utah*. Utah Geological Survey Miscellaneous Publication 99-1.

Townsend, K. E. m A. R. Friscia, and D. T. Rasmussen, 2002. Stratigraphic distribution of middle Eocene (Uintan Land Mammal Age) fossil vertebrate localities in the eastern Uinta Basin, Uintah County, Utah, and its implication for Uintan biostratigraphic. 2002 Geological Society of America Annual Meeting.
http://gsa.confex.com/gsa/2002AM/finalprogram/abstract_42113.htm.

Wood, H. E., II, R. W. Chaney, J. Clark, E. H. Colbert, G. L. Jepsen, J. B. Reeside, Jr., and C. Stock. 1941. Nomenclature and correlation of the North American continental Tertiary. *Geological Society of America Bulletin*, v. 52, p. 1-48.

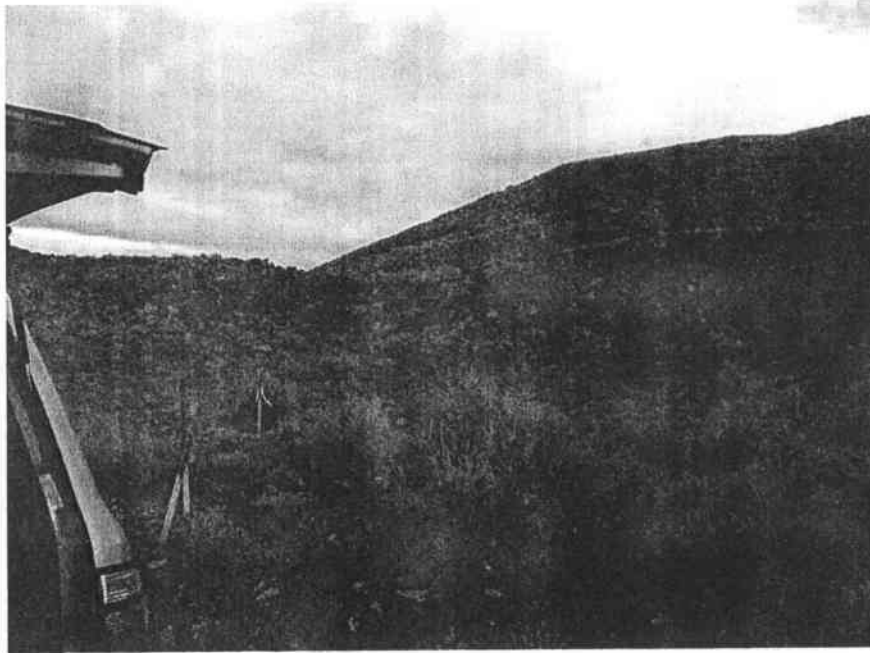


Figure 3. Exposures of the Wagonhound Member of the Uinta Formation. View south along access road to proposed well pad. Truck is parked in Fourmile Wash.



Figure 4. View to southwest showing fossil bearing exposure of the Wagonhound Member of the Uinta Formation. Access road traverses hill in the background from left to right.

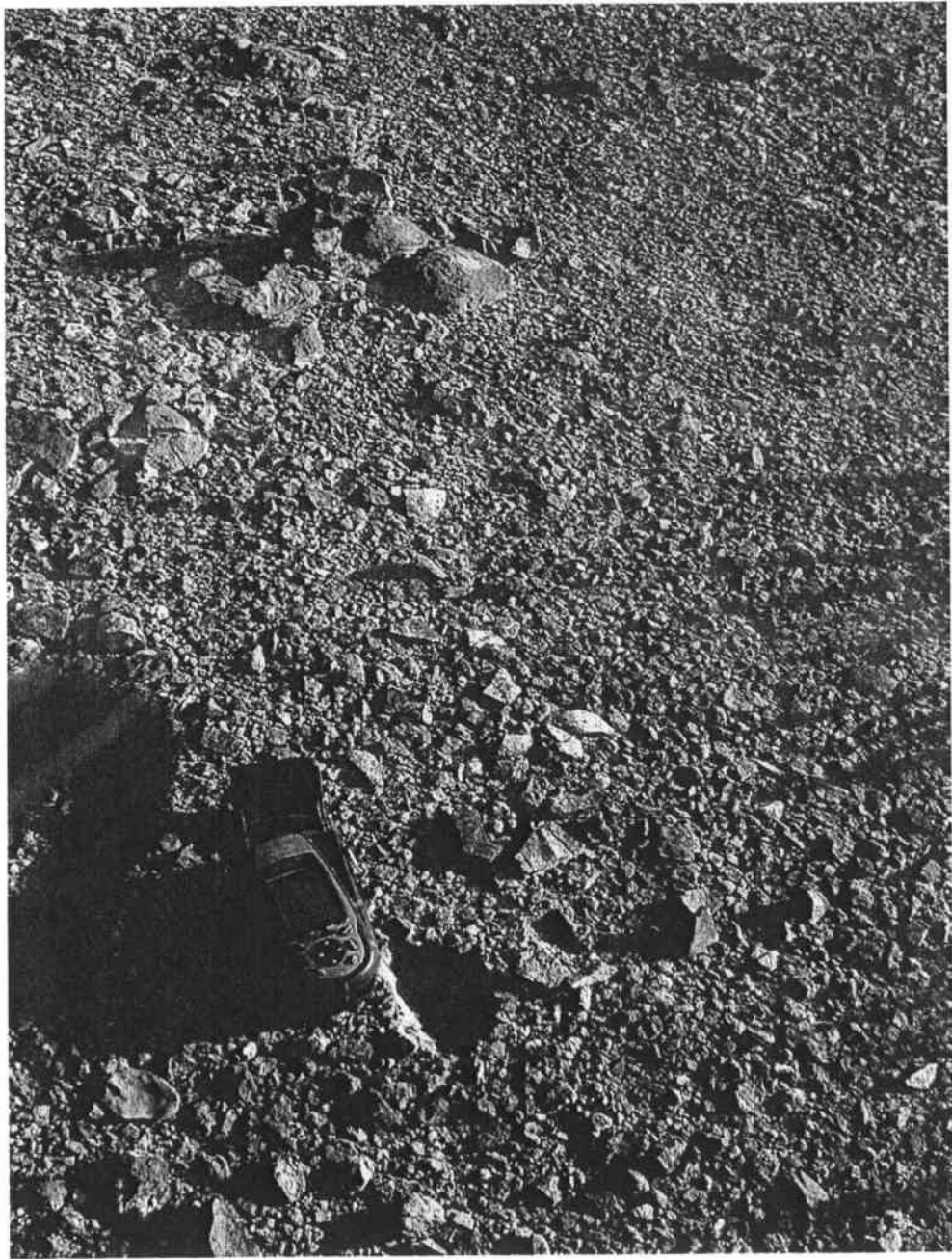


Figure 5. Fossil turtle shell fragments from location shown in Figure 3.

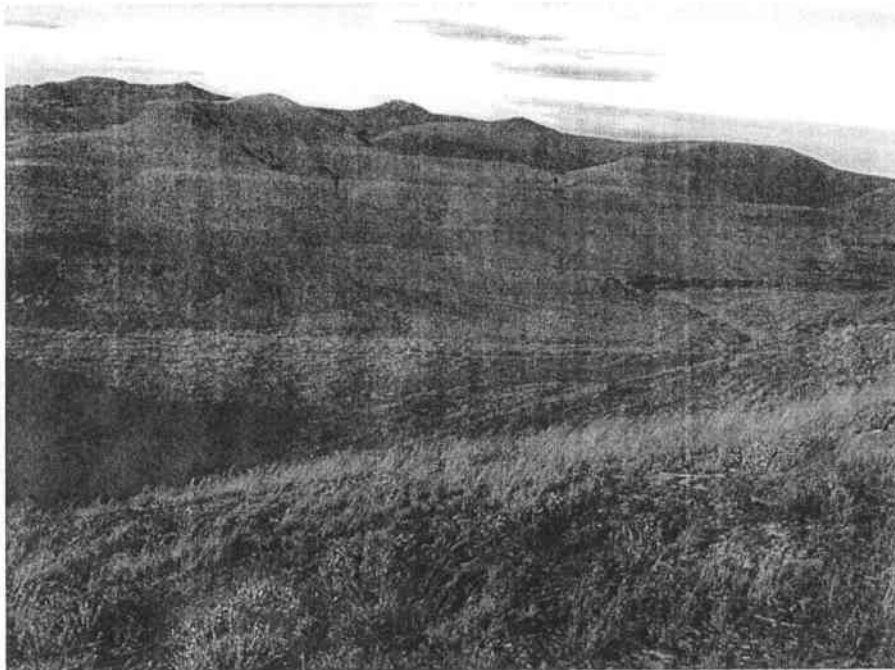


Figure 6. Exposures of the Wagonhound Member of the Uinta Formation along Fourmile Wash. View to northeast along part of the proposed access road.

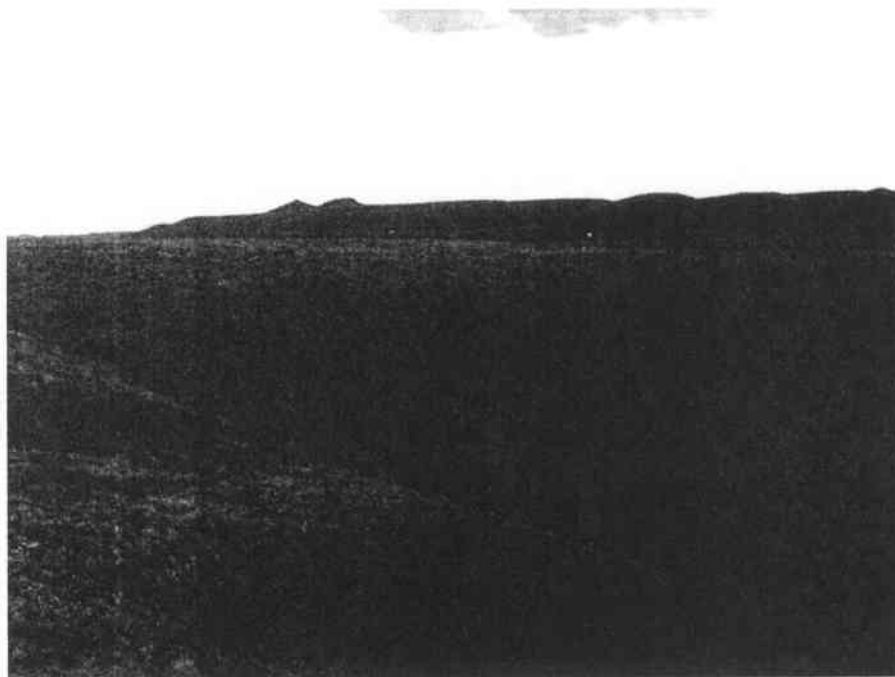


Figure 7. Proposed well pad 14-12-10-18, showing lack of exposures. View to west, white flag marking center.

PALEONTOLOGY LOCALITY FORM

1. Permit#/Permittee: BLM Paleontological Resources Use Permit UT-S-05019/Gustav F. Winterfeld, Ph.D., expires 31 December 2008

2. Repository: Department Collections, Department of Geology and Geophysics, University of Wyoming (Laramie)

3. Locality #: Field EVG-11505 (no formal number will be requested)

4. Formation (and subdivision, if known): Uinta Formation, Wagonhound Member

5. Age: middle Eocene

6. County: Uinta

7. BLM Office: Vernal

8. Contact: Mr. John Mayers

9. Map Name: Moon Bottom

10. Map Source: USGS

11. Map scale: 1:24,000

12. Map edition: 1952

13. Latitude (deg., min., sec., direction):

14. Longitude (deg., min., sec., direction):

or **UTM Grid Zone:** TOPO! GPS Data UTM NAD27, 12S, 598609m N, 4423011mE, 4659 ft elevation, 11/08/2005, 15:42:24,

15. Survey (Sec., T & R): SW/4, NE/4, SW/4 of Sec 12, T10S, R18E

16. Taxa collected/observed: turtle shell, none collected

17. Collector/Recorder: G.F. Winterfeld

18. Date: 8 November 2005

19. Remarks: The turtle material is derived from either the green mudstone or overlying sandstone.

PALEONTOLOGY LOCALITY FORM

1. Permit#/Permittee: BLM Paleontological Resources Use Permit UT-S-05019/Gustav F. Winterfeld, Ph.D., expires 31 December 2008

2. Repository: Department Collections, Department of Geology and Geophysics, University of Wyoming (Laramie)

3. Locality #: Field EVG-11505b (no formal number will be requested)

4. Formation (and subdivision, if known): Uinta Formation, Wagonhound Member

5. Age: middle Eocene

6. County: Uinta

7. BLM Office: Vernal

8. Contact: Mr. John Mayers

9. Map Name: Moon Bottom

10. Map Source: USGS

11. Map scale: 1:24,000

12. Map edition: 1952

13. Latitude (deg., min., sec., direction):

14. Longitude (deg., min., sec., direction):

or UTM Grid Zone: TOPO! GPS Data UTM NAD27, Zone 12S, 598623m N, 4423082mE,
4856ft elevation, 11/08/2005,15:42:24,

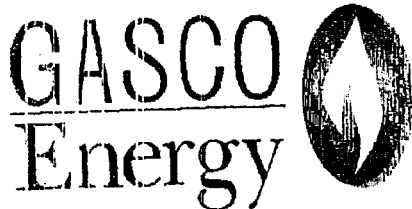
15. Survey (Sec., T & R): SW/4, NE/4, SW/4 of Sec 12, T10S, R18E

16. Taxa collected/observed: turtle shell, none collected

17. Collector/Recorder: G.F. Winterfeld

18. Date: 8 November 2005

19. Remarks: The turtle material is derived from either the green mudstone or overlying sandstone.



Bureau of Land Management
Vernal Field Office
170 S. 500 E.
Vernal, UT 84078

Attn: Minerals

Re: All Wells
Uintah County, Utah

Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Gasco Production Company, a wholly owned subsidiary of Gasco Energy, Inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the above mentioned well.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Gasco Production Company agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned well.

Yours very truly,


Mark J. Choury
Land Manager

GASCO PRODUCTION COMPANY

UTELAND FEDERAL #14-12-10-18

LOCATED IN UINTAH COUNTY, UTAH
SECTION 12, T10S, R18E, S.L.B.&M.

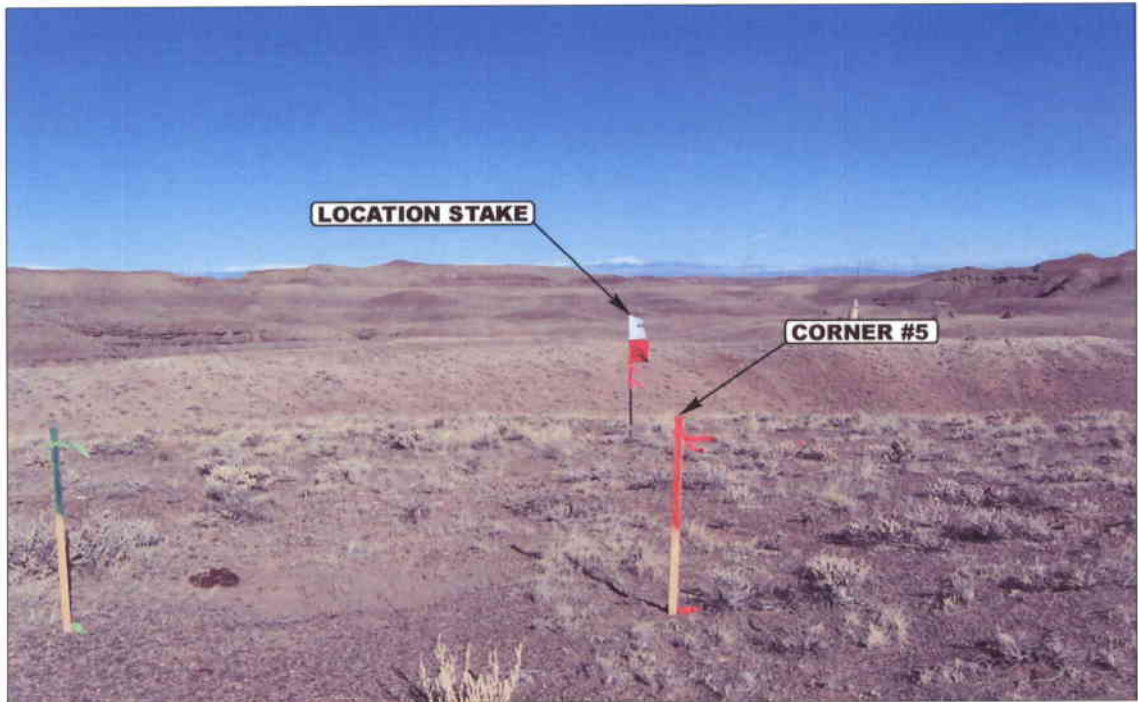


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

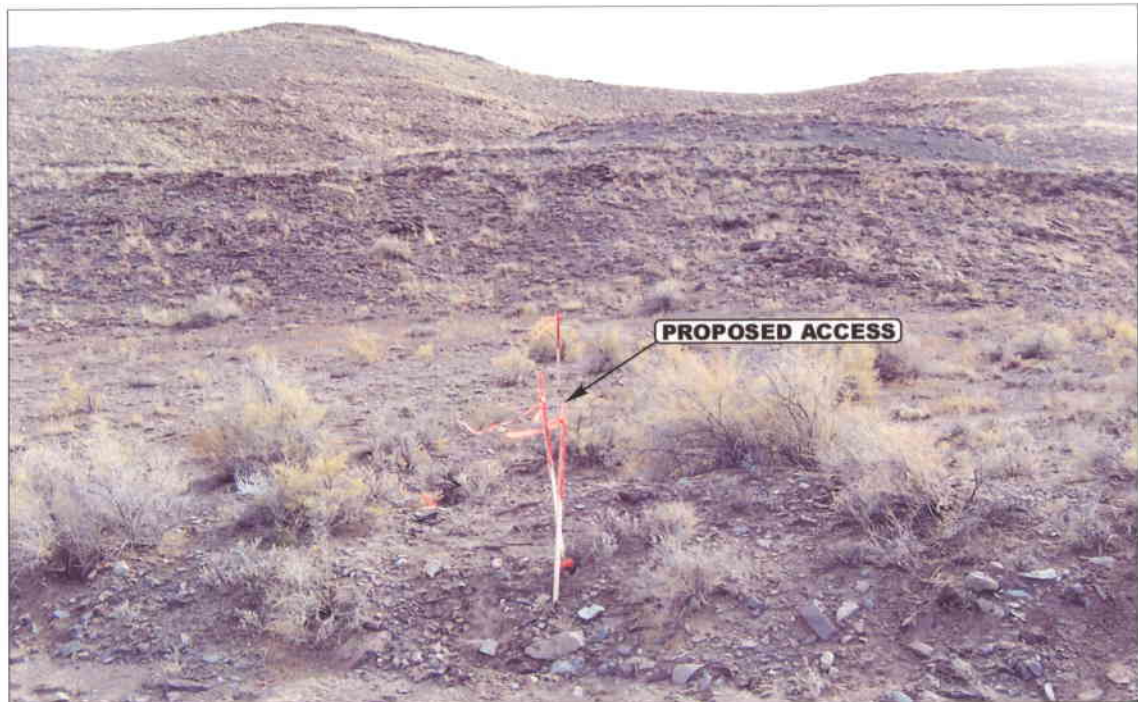


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

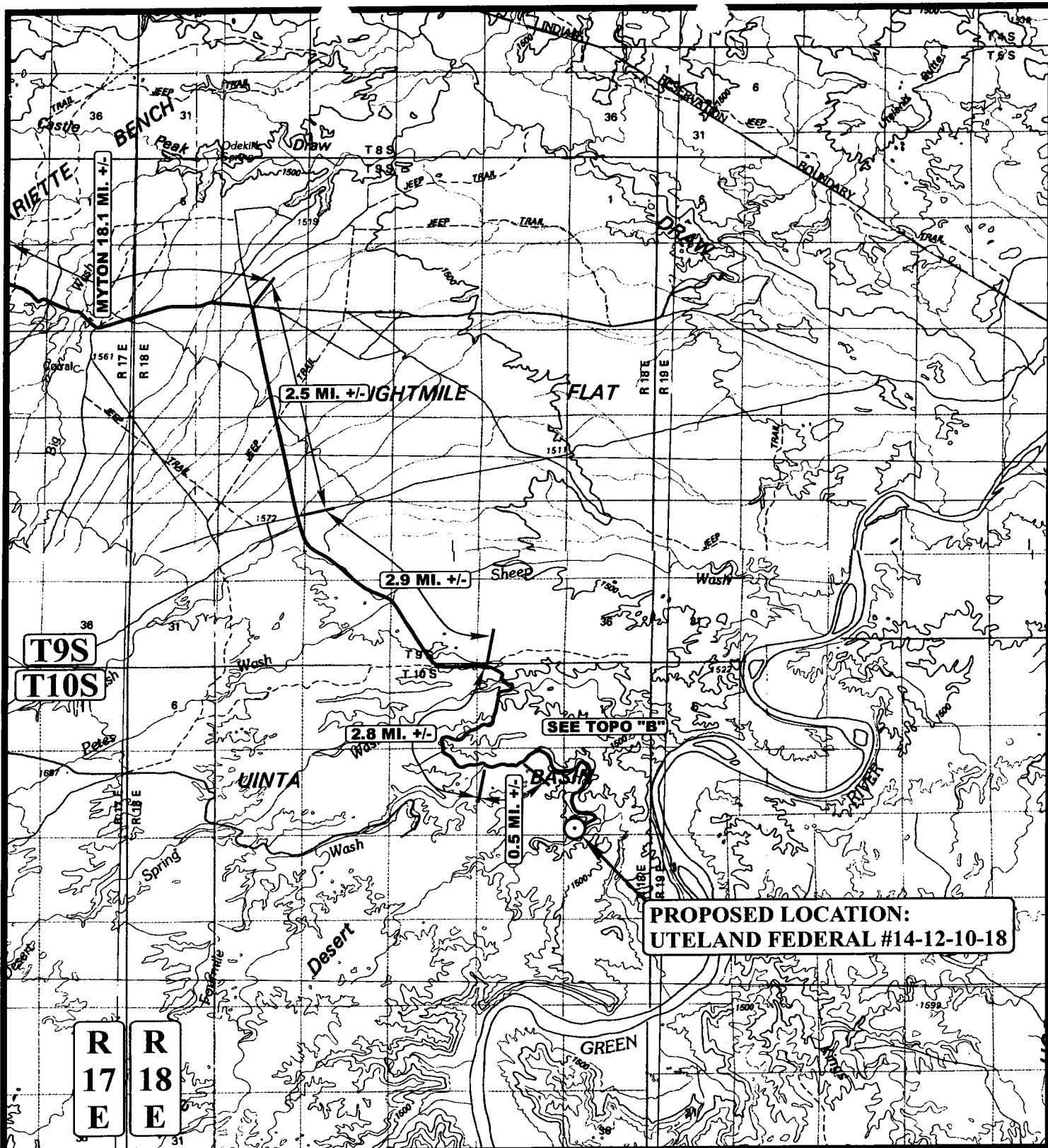
11 17 05
MONTH DAY YEAR

PHOTO

TAKEN BY: J.W.

DRAWN BY: B.C.

REVISED: 01-10-06



LEGEND:

⊙ PROPOSED LOCATION



GASCO PRODUCTION COMPANY

UTELAND FEDERAL #14-12-10-18
SECTION 12, T10S, R18E, S.L.B.&M.
413' FSL 657' FWL



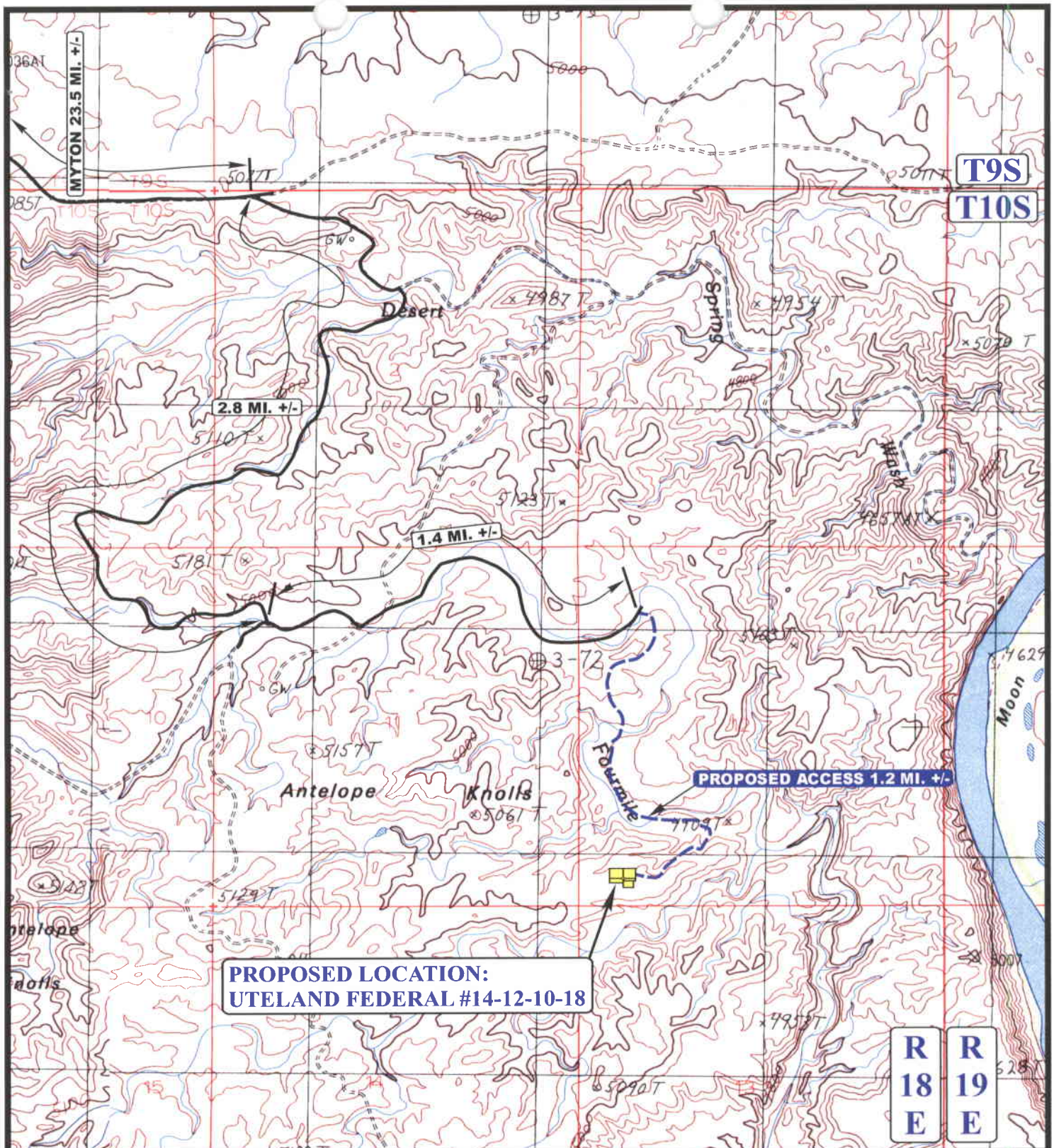
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

11 17 05
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 01-10-06





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

GASCO PRODUCTION COMPANY

UTELAND FEDERAL #14-12-10-18
SECTION 12, T10S, R18E, S.L.B.&M.
413' FSL 657' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

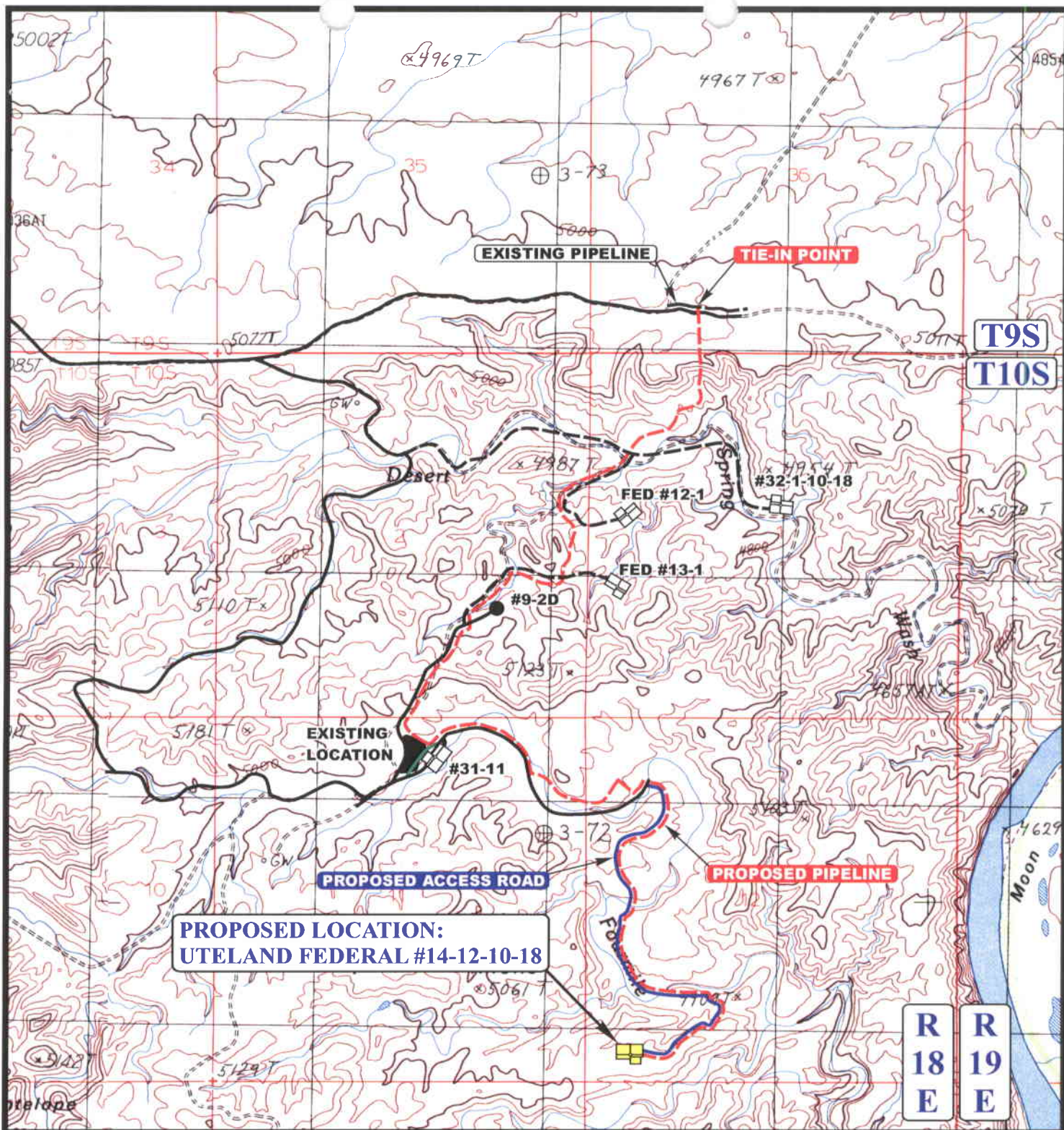


TOPOGRAPHIC
MAP

11 17 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 01-10-06





APPROXIMATE TOTAL PIPELINE DISTANCE = 19,150' +/-

LEGEND:

— PROPOSED ACCESS ROAD
 — EXISTING PIPELINE
 - - - PROPOSED PIPELINE

GASCO PRODUCTION COMPANY

UTELAND FEDERAL #14-12-10-18
 SECTION 12, T10S, R18E, S.L.B.&M.
 413' FSL 657' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
 MAP

11 17 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 01-10-06

D
 TOPO

GASCO PRODUCTION COMPANY

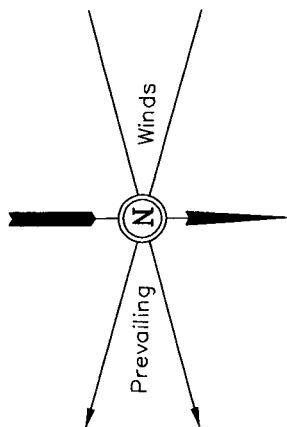
LOCATION LAYOUT FOR

UTELAND FEDERAL #14-12-10-18

SECTION 12, T10S, R18E, S.L.B.&M.

413' FSL 657' FWL

Approx.
Toe of
Fill Slope



SCALE: 1" = 50'
 DATE: 11-23-05
 Drawn By: P.M.
 Revised: 01-12-06

C-9.5'
 El. 83.1'

F-19.0'
 El. 54.6'

C-5.1'
 El. 78.7'

Sta. 3+80

Round Corners
as Needed

Approx.
Top of
Cut Slope

Pit Topsoil

FLARE PIT

C-9.8'
 El. 83.4'

20' WIDE BENCH

El. 88.1'
C-24.5'
 (btm. pit)

Total Pit Capacity
 W/2' of Freeboard
 = 13,900 Bbls. ±
 Total Pit Volume
 = 3,930 Cu. Yds.

RESERVE PITS
 (10' Deep)

El. 85.5'
C-21.9'
 (btm. pit)

20' WIDE BENCH

C-9.5'
 El. 83.1'

C-9.1'
 El. 82.7'

C-6.8'
 El. 80.4'

F-13.0'
 El. 60.6'

Sta. 1+80

DOG HOUSE

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

Sta. 0+55

STORAGE TANK

Proposed Access
Road

Sta. 0+00

F-23.8'
 El. 49.8'

Elev. Ungraded Ground at Location Stake = **4980.4'**
 Elev. Graded Ground at Location Stake = **4973.6'**

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

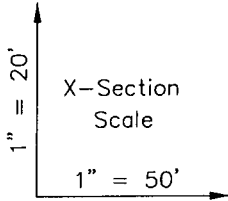
GASCO PRODUCTION COMPANY

TYPICAL CROSS SECTIONS FOR

UTELAND FEDERAL #14-12-10-18

SECTION 12, T10S, R18E, S.L.B.&M.

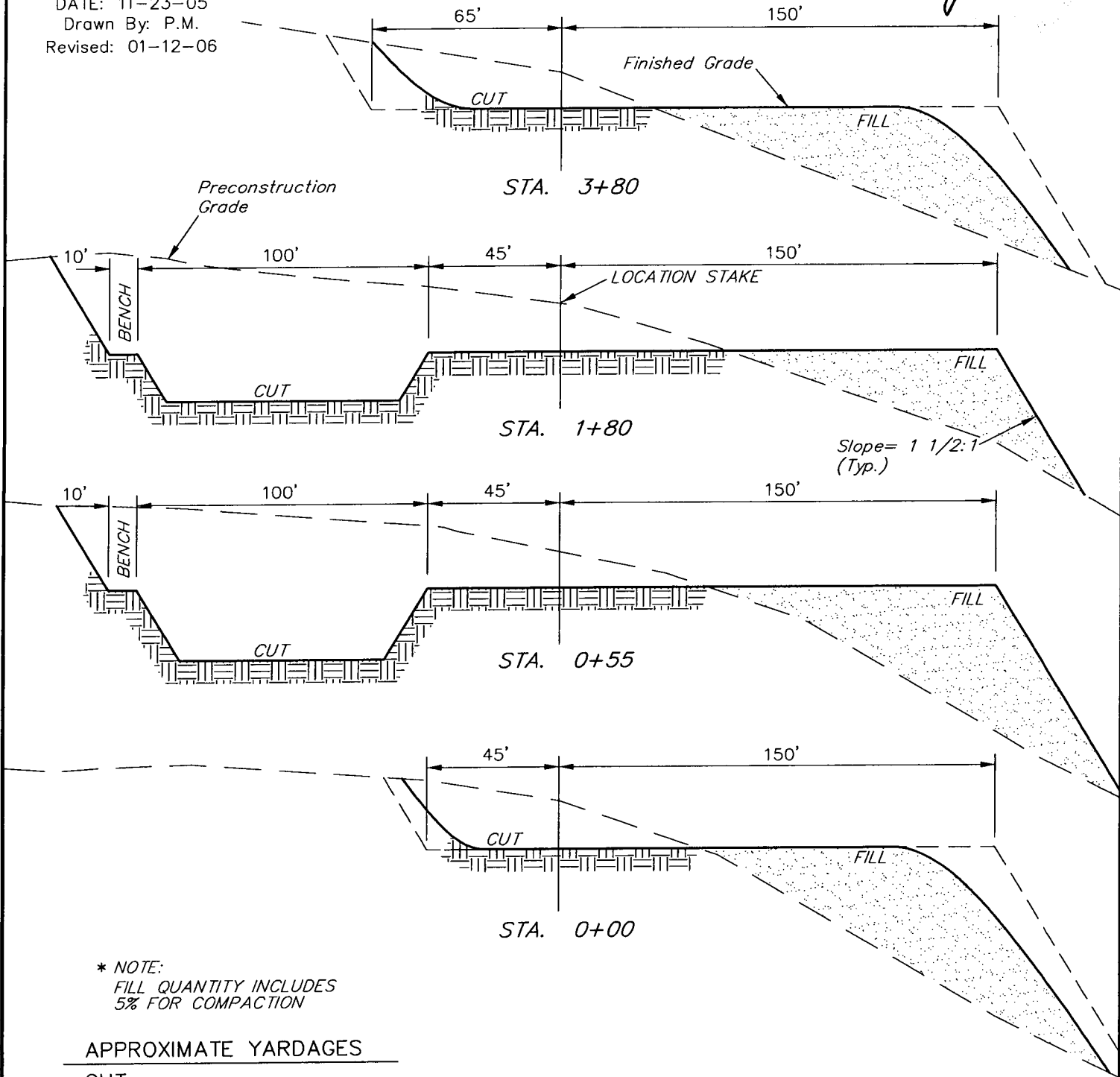
413' FSL 657' FWL



DATE: 11-23-05

Drawn By: P.M.

Revised: 01-12-06



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 2,540 Cu. Yds.
Remaining Location = 21,330 Cu. Yds.
TOTAL CUT = 23,870 CU.YDS.
FILL = 19,360 CU.YDS.

EXCESS MATERIAL = 4,510 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 4,510 Cu. Yds.
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/01/2006

API NO. ASSIGNED: 43-047-38186

WELL NAME: UTELAND FED 14-12-10-18

OPERATOR: GASCO PRODUCTION (N2575)

CONTACT: VENESSA LANGMACHER

PHONE NUMBER: 303-857-9999

PROPOSED LOCATION:

SWSW 12 100S 180E

SURFACE: 0413 FSL 0657 FWL

BOTTOM: 0413 FSL 0657 FWL

COUNTY: UINTAH

LATITUDE: 39.95225 LONGITUDE: -109.8483

UTM SURF EASTINGS: 598383 NORTHINGS: 4422882

FIELD NAME: UTELAND BUTTE (695)

INSPECT LOCATN BY: / /

Tech Review

Initials

Date

Engineering

Geology

Surface

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-013821

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: BLKHK

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UT-1233)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-1721)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: ___
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☒ R649-3-3. Exception
___ Drilling Unit
Board Cause No: ___
Eff Date: ___
Siting: ___
___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Eder Approval
2- Spacing Strip



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

June 7, 2006

Gasco Production Company
8 Inverness Drive East, Suite 100
Englewood, CO 80112

Re: Uteland Federal 14-12-10-18 Well, 413' FSL, 657' FWL, SW SW, Sec. 12,
T. 10 South, R. 18 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38186.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Gasco Production Company
Well Name & Number Uteland Federal 14-12-10-18
API Number: 43-047-38186
Lease: UTU-013821

Location: SW SW **Sec.** 12 **T.** 10 South **R.** 18 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		LEASE DESIGNATION AND SERIAL NUMBER: UTU-013821	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA	
		7. UNIT or CA AGREEMENT NAME: NA	
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Uteland Federal 14-12-10-18	
2. NAME OF OPERATOR Gasco Production Company		9. API NUMBER: 4304738186	
3. ADDRESS OF OPERATOR 8 Inverness Dr E, Ste 100 Englewood Co 80112		10. FIELD AND POOL, OR WILDCAT: Uteland Butte	
4. LOCATION OF WELL FOOTAGES AT SURFACE 413' FSL & 657' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 12 10S 18E		COUNTY: Uintah STATE: UTAH	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: Extend Permit
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Gasco Production Company would like to request a one year extension on this APD from the date it is due to expire (June 7, 2007)

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 06-20-07
By: [Signature]

COPY SENT TO OFFICE
DATE: 6-21-07
INITIALS: PM

NAME (PLEASE PRINT) Beverly Walker	TITLE Engineering Technician
SIGNATURE <u>[Signature]</u>	DATE 6/4/2007

(This space for State use only)

RECEIVED
JUN 11 2007
DIV. OF OIL, GAS & MINING



**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304738186
Well Name: Uteland Federal 14-12-10-18
Location: SWSW Section 12-T10S-R18E
Company Permit Issued to: Gasco Production Company
Date Original Permit Issued: 6/7/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

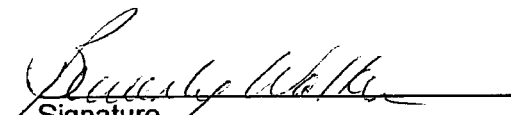
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

6/4/2007

Date

Title: Engineering Technician

Representing: Gasco Production Company

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FEB 01 2006

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-013821-4
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Gasco Production Company		7. If Unit or CA Agreement, Name and No. N/A
303-483-0044 8 Inverness Drive East, Suite 100 Englewood, CO 80112		8. Lease Name and Well No. Uteland Federal #14-12-10-18
3. Name of Agent Permitco Inc. - Agent		9. API Well No. 43 047 38186
303-857-9999 14421 County Road 10 Fort Lupton, CO 80621		10. Field and Pool, or exploratory Riverbend
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 413' FSL and 657' FWL At proposed prod. zone SW SW		11. Sec., T., R., M., or Blk. and Survey or Area Section 12, T10S-R18E
14. Distance in miles and direction from nearest town or post office* Approximately 28.9 miles south of Myton, UT		12. County or Parish Utah
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 413'		13. State UT
16. No. of Acres in lease 2214		17. Spacing Unit dedicated to this well 40 Acres; SW SW
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 1700'		20. BLM/BIA Bond No. on file Bond #UT-1233
19. Proposed Depth 12,100'		21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4980' GL
22. Approximate date work will start* ASAP		23. Estimated duration 35 Days

24. Attachments

CONFIDENTIAL-TIGHT HOLE

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, SUPO shall be filed with the appropriate Forest Service Office. | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) Venessa Langmacher	Date 1/30/2006
Title Authorized Agent for Gasco Production Company		
Approved by (Signature) 	Name (Printed/Typed) Terry Kenicka	Date 5-14-2008
Title Assistant Field Manager Lands & Mineral Resources		
Office VERNAL FIELD OFFICE		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL AT VERNAL, UT MAY 19 2008

DIV. OF OIL, GAS & MINING

NOT REC
066XJ0467A



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Gasco Production Co.
Well No: Uteland Federal 14-12-10-18
API No: 43-047-38186

Location: SWSW, Sec 12, T10S, R18E
Lease No: UTU-013821-A
Agreement: N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck MacDonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

General Surface COAs:

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Specific Surface COAs:

- Surface Conditions of Approval or monitoring are listed in the Surface Use Plan of the APD.
- The operator shall construct low water crossings where appropriate on those portions of the new access road which travel through the Fourmile Wash floodplain.
- The operator shall bury those portions of the pipeline approximately four feet in depth that travel through the Fourmile Wash floodplain within and on the east side of the access road corridor. The remainder of the pipeline shall be constructed on the surface.
- The operator shall ensure the existing small game guzzler located near the proposed well pad remains in place and undamaged due to construction and drilling operations and shall construct and install a second guzzler in the SWSE of Section 11, T10S, R18E. Notification to the AO will be made prior to construction in order for a BLM biologist to be present and supervise construction and placement.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. The following seed mix shall be used:

• Type		lbs./acre
Western Wheatgrass	<i>Agropyron smithii</i>	4
Needle and Thread grass	<i>Stipa comata</i>	4
Hy-crest Crested wheat grass	<i>Agropyron cristatum</i>	4
** Seed shall be drilled; but if broadcasted double the pounds per acre used and work the solids mechanically to cover the seed.		

- Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil respread over the surface; and, the surface revegetated. The

surface of approved staging areas where construction activities did not occur may require disking or ripping and reseedling. The following seed mix shall be used, unless BLM personnel determine that conditions have changed and another mix will be more suitable:

Type		lbs./acre
Shadscale	<i>Atriplex confertifolia</i>	3
Gardner saltbush	<i>Atriplex nuttallii</i>	3
Hy-crest Crested wheat grass	<i>Agropyron cristatum</i>	3
Indian Rice Grass	<i>Oryzopsis hymenoides</i>	3
** Seed shall be drilled; but if broadcasted double the pounds per acre used and work the solids mechanically to cover the seed.		

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- None

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including,

at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-013821
2. NAME OF OPERATOR: Gasco Production Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 8 Inverness Dr E, Ste 100 CITY Englewood STATE Co ZIP 80112		7. UNIT or CA AGREEMENT NAME: NA
PHONE NUMBER: (303) 483-0044		8. WELL NAME and NUMBER: Uteland Federal 14-12-10-18
4. LOCATION OF WELL FOOTAGES AT SURFACE: 413' FSL & 657' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 12 10S 18E		9. API NUMBER: 4304738186
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Uteland Butte
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extend Permit</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Gasco Production Company would like to request a one year extension on this APD from the date it is due to expire (June 20, 2008)

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 06-18-08
By: [Signature]

COPY SENT TO OPERATOR

Date: 6.19.2008
Initials: KS

NAME (PLEASE PRINT) <u>Beverly Walker</u>	TITLE <u>Engineering Technician</u>
SIGNATURE <u>[Signature]</u>	DATE <u>6/10/2008</u>

(This space for State use only)

RECEIVED
JUN 13 2008
DIV. OF OIL, GAS & MINING

RESET

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304738186
Well Name: Uteland Federal 14-12-10-18
Location: SWSW Section 12-T10S-R18E
Company Permit Issued to: Gasco Production Company
Date Original Permit Issued: 6/7/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

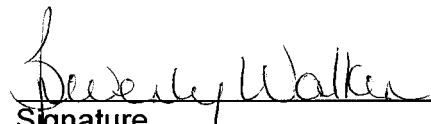
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

6/10/2008
Date

Title: Engineering Technician

Representing: Gasco Production Company

RECEIVED
JUN 13 2008
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 5, 2009

Gasco Production Company
8 Inverness Dr. East, Ste. 100
Englewood, CO 80112

Re: APD Rescinded – Uteland Federal 14-12-10-18, Sec. 12 T. 10S, R. 18E
Uintah County, Utah API No. 43-047-38186

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on June 7, 2006. On June 20, 2007 and June 18, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 5, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 11 2010

BLM

DUPLICATE

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU013821A
2. Name of Operator GASCO PRODUCTION COMPANY Contact: JESSICA BERG E-Mail: jberg@gascoenergy.com		6. If Indian, Allottee or Tribe Name
3a. Address 8 INVERNESS DRIVE EAST SUITE 100 ENGLEWOOD, CO 80112	3b. Phone No. (include area code) Ph: 303-996-1805	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 12 T10S R18E SWSW 413FSL 657FWL		8. Well Name and No. UTELAND FEDERAL 14-12-10-18
		9. API Well No. 43-047-38186
		10. Field and Pool, or Exploratory RIVERBEND
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Gasco Production Company would like to request a two year extension on this APD from the date that it is due to expire, May 15, 2008.

CONDITIONS OF APPROVAL ATTACHED

VERNAL FIELD OFFICE
ENG. RLA 5/10/11
GEOL. _____
E.S. _____
PET. _____
RECI _____RECEIVED
JUN 08 2011
DIV. OF OIL, GAS & MIN

14. I hereby certify that the foregoing is true and correct. Electronic Submission #86315 verified by the BLM Well Information System For GASCO PRODUCTION COMPANY, sent to the Vernal Committed to AFMSS for processing by GAIL JENKINS on 05/13/2010 ()	
Name (Printed/Typed) JESSICA BERG	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 05/11/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>[Signature]</u>	Title Assistant Field Manager Lands & Mineral Resources	Date MAY 19 2011
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office VERNAL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UDOG

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

CONDITIONS OF APPROVAL

Gasco Production Company

Notice of Intent APD Extension

Lease: UTU-013821A
Well: UTELAND FEDERAL 14-12-10-18
Location: SWSW Sec 12-T10S-R18E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 12-19-2011.
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Robin L Hansen of this office at (435) 781-2777



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District

Vernal Field Office

170 South 500 East

Vernal, UT 84078

<http://www.blm.gov/ut/st/en/fo/vernal.html>



November 18, 2013

IN REPLY REFER TO:
3160 (UTG011)

Tom Rogers
Gasco Production Company
7979 Tufts Ave., Suite 1150
Denver, CO 80237

43047 38186

Re: Notice of Expiration
Well No. Uteland Federal 14-12-10-18
SWSW, Sec. 12, T10S, R18E
Uintah County, Utah
Lease No. UTU-013821A

Dear Mr. Rogers:

The Application for Permit to Drill (APD) for the above-referenced well was approved on May 14, 2008. A two (2) year extension of the original APD was requested. The request was reviewed and the extension approved until December 19, 2011. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources

cc: UDOGM

bcc: Well File
I&E Asst.

RECEIVED

NOV 29 2013

DIV. OF OIL, GAS & MINING